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NEAR EAST/SOUTH ASIA REPORT

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REGIONAL AFFAIRS

PROSPECTS FOR PEACE DISCUSSED

London AL-MAJALLAH in Arabic 27 Nov 85 pp 14-15

[Article by 'Abd-al-Bari 'Atwan]

[Text] Two incidents and a piece of advice; all may summarize the course of events in the Arab region following the end of the superpower summit in Geneva.

The first incident is embodied in the hijacking of the Egyptian airplane that was on its way from Athens to Cairo, while the second incident is embodied in the dogfight that took place over Lebanon's al-Biqa' between Israeli and Syrian airplanes, which resulted in the crash of two Syrian planes, postponement of the signing of the Damascus accord, and a flare-up along traditional battle lines in the Lebanese capital, not between the Lebanese Forces and an alliance of national forces as usually happens, but between the Shi'ite Amal forces and fighters of the Progressive Socialist Party of which the Druze form a majority; in other words, between allies of just yesterday.

As for the piece of advice, it came from the Egyptian president, Husni Mubarak, for Mr Yasir 'Arafat, head of the PLO's Executive Committee, during the latter's visit to Cairo. A Palestinian official summarized it by saying that President Mubarak asked "Abu 'Ammar" to meet with all his comrades and adopt clear resolutions on the current peace process in the Middle East, and specifically toward the two Security Council resolutions, Nos 242 and 338, for without clear positions, there will be no place for the PLO in this peace process.

It is apparent that there are three main currents sweeping the Arab region:

The first current is led by groups opposed to everything that is going on in the region with respect to peace efforts and undertakings because of their belief that such efforts cannot lead to "honorable" solutions to fateful Arab issues. Adherents of this current do not hesitate to use violence in its various forms, including the hijacking of airplanes and ships and the assassination of diplomats, in order to wreck these peace efforts which are headed by the United States and Arab states, and which the Soviets ignore. The latest incident in which the Egyptian airliner was hijacked, the hijacking of the Italian ship Achille Lauro, and the assassination of Israeli and Jordanian diplomats can be classified under this heading.

The second current is embodied in the Syrian role, not just in Lebanon but also in the entire Arab region for Syria, which is considered a principal confrontation state with occupied territories, cannot allow the settlement process to go on without it having a basic role in it, and the role that Syria wants is to link the fate of the Golan Heights to the West Bank and the Gaza Strip; in other words, it is opposed to partial settlements and direct talks away from an international conference. The Jordanian-Syrian statement that was issued following talks between the prime ministers of the two countries, Zayd al-Rifa'i and 'Abd-al-Ra'uf al-Kasm, came to confirm these facts together. The Syrian-Israeli dogfight over al-Biqa' can be understood as an attempt by Israel to threaten Syria on the one hand, and to strengthen the parties opposed to the Damascus accord on the other, and at the same time, Syria wanted to confirm its rejection of the content of this message and respond to it by confronting the Israeli planes, even if this confrontation coincided with the holding of the Soviet-American summit in Geneva.

The third current believes that at a time of American-Soviet harmony, as embodied in the Geneva summit, efforts must continue towards a peaceful settlement. This current is led by Egypt and Jordan, while the PLO is trying to find a role for itself in it as it realizes that military action has been blocked and has become undesirable as a part of it.

Neglect or Agreement

After the final communique of the superpower summit in Geneva was issued, without any mention of the Middle East question, and after this issue, along with other regional issues, had been turned over to experts and the foreign ministers of the two superpowers, explanations and interpretations abounded. Some believed that this neglect of the Arab issue was a putdown of it and of Arabs in general, and that the two superpowers had concentrated on their special interests and their bilateral relationship, since these had taken absolute priority. Others saw the turning over of the issue to experts as a reflection of an agreement between the two leaders Reagan and Gorbachev along broad lines, leaving the details to those who were familiar with them. For this reason, Richard Murphy, the American assistant secretary of state for Middle Eastern affairs, flew to Cairo, Egypt, and Tel Aviv to inform officials there of the results of the summit talks and of the opening of new channels for moving towards peace.

President Husni Mubarak, who met with Murphy for 3 hours in Cairo, emerged afterwards to meet with reporters, and explained that the PLO's rejection of Security Council resolutions 242 and 338 was one of the obstacles to the peace process. It was as if President Mubarak were speaking for Murphy, and sending a message to Mr Yasir 'Arafat, who was holding a meeting of the PLO's Central Committee in Baghdad to define positions towards these two resolutions in particular.

A senior Palestinian official living in Cairo told AL-MAJALLAH that even though the Egyptian government had welcomed Mr 'Arafat's announcement of ending foreign commando operations and condemning all acts of violence and terror, it agreed completely with the Jordanian monarch that in order for the PLO to be an acceptable participant in the peace process, it must take the further remaining step, which would be to recognize Resolution 242 and thus the state of Israel, for without the acceptance of Resolution 242, the American veto against its participation will remain.

Mubarak's Advice

This official indicated that President Husni Mubarak had told Mr 'Arafat frankly that there was now little room for maneuvering and dodging, that it was no longer desirable at the present time that he attempt to steer clear of the clear resolutions and continue with ambiguities and generalities, and that he must gather together all the members of his leadership and study and discuss, and then make a final decision concerning his affairs. Before him lie two choices and no others: either participate in the peace process and accept what this participation requires in terms of recognizing Resolution 242, or reject this resolution and thus remain outside of what is going on now, and in that case Jordan would look for an alternative to the PLO as a participant in the talks and as a representative of the Palestinian people at them.

Mr Yasir 'Arafat, who seems to have taken this advice, gathered together all the members of his leadership in Baghdad (not in Tunis), and held a series of meetings: of the PLO's Executive Committee first, of the Central Committee of the Fatah movement second, then thirdly a joint meeting of the two committees, fourthly an expanded meeting of the PLO's Central Committee, and he ended these meetings with a fifth meeting, a meeting of the revolutionary council of the Fatah movement. In other words, Mr 'Arafat held meetings of all the organizations of the Palestinian revolution except the Palestine National Council.

One of those who participated in these meetings in Baghdad told AL-MAJALLAH that the issue was not whether to meet or not; rather it was a process by which to review comprehensively, at the level of the various levels of the Palestinian leadership, all questions before it, including the current peace process, and to adopt a resolution that would not have been issued by one body, but by all Palestinian leadership bodies.

This official, a member of the Central Committee of the Fatah movement, added that the Palestinian leadership will adopt a resolution, whatever its content, in light of what assurances it is given concerning the seriousness of the peace process and the extent to which America is prepared to accept the PLO as a full participant in the negotiations. If these assurances are given, the PLO's leadership might call for an emergency meeting of the Palestine National Council in order to present the matter to it, since it is the only party that can issue a resolution on accepting Security Council Resolution No 242.

In all cases, Egypt, Jordan, America, and Israel are all awaiting the PLO's decision, whether negative or positive. The next step will be taken in light of this decision.

Jordanian Alternatives

King Husayn tried to pass this waiting period by holding meetings with a number of Palestinian personalities from the West Bank and the Gaza Strip, such as Ilyas Furayj, mayor of Bethlehem, and Rashad al-Shawwa, mayor of Gaza. He also issued directives easing the difficulties Arabs from occupied territories have on the bridges, facilitating the transport of goods and products, and allowing people of these regions to be employed in Joradn.

As for Shimon Peres, the prime minister of the Hebrew state, he has overcome a serious crisis that almost toppled his coalition government when he silenced Ari'el Sharon, the minister of industry, who had criticized his peace initiatives, and consequently he has put an end to any opposition from the Likud bloc, his partner in the government. Opinion polls in Tel Aviv say that Peres has gained great popularity among Jews because of his peace efforts, and that he is now ready to tackle parliamentary elections and win a reasonable majority should the Likud bloc decide to withdraw from the coalition government.

Peres' latest statements have concerned his readiness to accept a formal international conference as a prelude to direct talks on peace in order to solve the main problem faced by the Jordanian side, which insists on the holding of such a conference. However, before taking this step, which he believes to be a concession on the part of his government, Peres is waiting for the Soviets to recognize the Jewish state again and to resume diplomatic relations, and for Jordan and Egypt to "tame" the PLO, especially with respect to recognizing the international Security Council's famous resolution No 242.

Difficult Choic

By carefully reading Mr 'Arafat's statements and the minutes of the Palestine National Council's latest meetings in Amman, the observer will sense that in all his recent positions Mr 'Arafat has been closer to accepting this resolution than rejecting it, and more than once he has announced that he accepts all United Nations resolutions, including Resolution 242. Even the Palestine National Council's latest resolutions in Amman do not openly reject this resolution, and they were content to reject it indirectly when they reaffirmed the resolutions of the Council's previous session in Algiers which had included a rejection of this resolution. However, what is required now of Mr 'Arafat is something much more than hints. What is required now is an open recognition of this resolution as a basis for a settlement in the Middle East.

What can be said is that the peace process stands at the door to a new phase of activity, and enjoys the implied blessings of the two superpowers. It is waiting for a number of things, most notable of which are an open Palestinian resolution, Syria's consent, American assurances, and a serious willingness by Israel to give up land for peace. If all these things are realized, then operations to prepare for talks will begin within weeks. However, if the essential elements are not realized, especially Syria's blessing and a positive Palestinian attitude, then preparations could be postponed, and embarking on such a settlement could become an adventure fraught with danger. Whatever the case, the current of violence will not cease, and it will continue with its efforts to wreck these movements. Peace will never be an ally of the Middle East region.

12547/12223
CSO: 4404/153

PROMINENT FIGURES URGE MITTERRAND TO DEFEND ARMENIAN CAUSE

Athens AZAT OR in Armenian 9 Dec 85 p 1

[Text] The ARF [Armenian Revolutionary Federation] Armenian National Committee of France has greeted with great satisfaction an open letter addressed to French President Francois Mitterrand by seven world-renowned figures, four of whom are Nobel laureates.

The signatories to the said letter are:

Sinn MacBride (Ireland), Nobel laureate in peace;
Adolfo Perez Esquival (Argentina), Nobel laureate in peace;
Louis Nelle (France), Nobel laureate in physics;
George Waldt (United States), Nobel laureate in medicine;
Gunther Grass (FRG), writer;
Alberto Moravia (Italy), writer;
Francois Rigeau (Belgium), President of Peoples' Permanent Court.

In their letter, these seven world-renowned persons urge President Mitterrand to propose a resolution calling for the recognition of the Armenian genocide at the European leaders' summit to be held in Luxembourg on 2 and 3 December.

This initiative is part of the work undertaken by the ARF Armenian National Committee in France and Armenian national committees in other countries to gain recognition for the Armenian genocide in world forums and organizations. This work helped to reinforce the historical facts with the paragraph related to the recognition of the Armenian genocide in the report prepared by British expert Benjamin Whitaker and approved recently by the UN Subcommission on Prevention of Discrimination and Protection of Minorities.

Work is also in progress on a resolution to be submitted to the European Parliament calling for the start of a dialog between Armenians and the Turkish government.

The said open letter states that it is essential to have the solidarity and assistance of those governments which support human rights and which declare their stance on every occasion on international and public forums.

9588
CSO: 4605/19

EGYPT

MEANS TO DISPOSE OF UNSALABLE COMMODITY STOCKPILES PROPOSED

Cairo AL-AHRAM in Arabic 23 Oct 85 p 6

[Article by Ahmad Nasr-al-Din: "When Will Goods Imprisoned in Dark Warehouses Emerge to Market; Stockpiles in Public-sector Warehouses Valued at 670 Million Pounds; Central Bank Demands Sale of Stockpiles in Installments and Minister of Finance Proposes Paying 2.5 Percent of Sale Revenues to Workers To Encourage Them To Sell Goods; Minister of Industry Demands That Study on Marketing Goods Be Conducted by Authorities Concerned"]

[Text] The problem of the commodities stockpiled in the public-sector and government warehouses is an old but ever-recurring problem that has been discussed to death but that continues to be present like a fearful ghost threatening the government treasury. Despite hundreds of papers exchanged between the workers and the leaders in charge, the problem persists and has not been settled yet. So what is happening in this arena that is bleeding as a result of accumulating losses?

What is surprising is that the system of warehousing the stockpiled goods represents in itself a problem that contributes to the unsalability of the stockpiles. This is because this system of warehousing is unscientific and unsound. Even if the government issues a decision on the need to get rid of the unsold stockpiled goods, releasing the goods via the labyrinths of this primitive type of warehousing will be a problem. The minister of finance has tried to contribute and help encourage the workers to find the means to dispose of these stockpiles and has instructed that 2.5 percent of the value of the unsold stockpiles be disbursed to the workers. But the minister has made it conditional that the reward be disbursed only after all the stockpiled goods are sold and disposed of.

Offering this reward is, of course, no more than a superficial solution to the problem. This fact is reflected in the statement by Engr Muhammad 'Abd-al-Wahhab, the minister of industry, who said: "The reason for the accumulation of the stockpiles in the past is due to production without any study to find out the actual needs of the local market and the export market."

Should such a study be conducted, the stockpiles may disappear gradually. It may even be possible to create a market for them on auction days. But because

the stockpiles do not, for example, meet the masses' needs, then auctions will also constitute a weak solution unless they cover a high percentage of the stockpiles, as President Muhammad Husni Mubarak has instructed.

A new study on the local and export markets' needs is currently being conducted by the Ministry of Industry so that imported goods will not compete with or overwhelm local products because of the people's need for the local goods and their lack of need for imported goods for any reason whatsoever, whether pertaining to quality, taste, or raw materials.

To dispose of these stockpiles, which are valued at 600 million Egyptian pounds so far, the Central Bank of Egypt has proposed the revival of the system of sale on installments for the consumer goods sold by the public-sector companies.

Husayn 'Abd-al-Wahhab, the undersecretary of the Ministry of Finance for government services, said: The warehouses where the unsold goods are stored contribute to the unsalability of the stockpiles because the unsold goods get damaged rapidly due to the lack of trained warehousing labor. It has been proven that 77.3 percent of the workers in the warehouses are untrained, that the warehouses are in a lamentable condition, and that 9,114 warehouses are fit, 942 are reparable, and 585 are absolutely irreparable.

Mahmud Faraj, inspector of warehouses at the Ministry of Finance, said that there are rubber tires with a total worth of 100,000 pounds stored in a government warehouse in al-Jazirah facing the danger of being completely damaged because of the lack of sound rules of storage and because they are left in the open instead of being stacked up in lines on wooden or iron shelves so that they may not be exposed to damage by the elements or by fires resulting from negligence and laxness.

Danger in Warehouses

The Government Services Authority's experts asserted after on-the-spot visits that a large number of warehouses are unfit for storage and are exposed to the dangers of fires and theft and that they lack the means of lighting and ventilation. These experts asserted that it is impossible to repair these warehouses due to the lack of appropriations allocated for the purpose. Moreoever, there is no interest in warehousing work among trained workers, who avoid this vitally important job.

The sale activity from the end of June 1983 to the end of September 1984 shows that the value of unsold Russian goods [al-rakid al-rusi] amounts to 3.5 million pounds, of non-Russian goods to 13 million pounds, and of miscellaneous small goods and scrap to 80 million pounds. This is at a time when the public-sector companies refuse to sell their stockpiles at prices below the book prices due to profit and capital losses. Consequently, the only way out is to keep the stockpiles. Moreover, many of the authorities concerned have not implemented the premier's decree No 137 of 1978 on setting

up units for control over their commodity stores due to the lack of necessary labor. Obtaining this labor imposes new financial burdens and its absence leads to irregular work at the warehouses and to the emergence of the problem of stockpiles.

What is required is to amend the presidential and ministerial decrees in order to entitle the authority to exercise fundamental executive and practical powers. Moreover, it is necessary to amend some of the provision of the government warehouse by laws, especially Article 81 of these bylaws, which states that if the authority fails to submit its annual specifications, including its actual commodity requirements, then the Ministry of Finance shall allocate for the authority an appropriation different from the appropriation requested by these authorities. This results in appropriations that may exceed the actual requirements of these authorities and the subsequent reemergence of the problem of unsold stockpiles. It is like a vicious circle.

If there are bad and unfit warehouses, especially in the government authorities and agencies, then there are at the same time model government warehouses, such as the warehouses belonging to the Chemicals Agency of the Ministry of Industry. Husni Yusuf 'Abd-al-Ghani, the manager of the agency's warehouses, said: I deal with the crews working in the warehouses as if they were crews working in private-sector warehouses. They are eager to provide all the means that ensure order, precision, and safety, especially since the warehouses contain scientific equipment, sensitive chemical and medical materials, and various laboratory instruments with which 25 laboratories at the agency's main building are supplied.

Experts' Opinion on Solutions

The experts propose a number of fundamental solutions which must be turned into a reality so that this problem, which is worrying all of the state's production sectors, may disappear and so that it may also disappear from the "mechanism" of Egyptian production activity.

1. Consideration should be given to setting up a fund for the warehouse building and warehousing equipment throughout the state--a fund similar to the fund for courthouses and courthouse furnishings--provided that this fund's resources come from deducting 50 percent of the revenues from selling the stockpiled goods, with this deduction deposited in the Central Bank of Egypt under the accounts belonging to the warehousing authority, and from state aid allocated for the fund. When all the agencies concerned throughout the state request financial appropriations included in their draft budgets for the construction of new warehouses or for the maintenance and furnishing of existing warehouses, such requests result in enormous appropriations sought by all the authorities concerned at once and in the same year, thus saddling the state budget with a heavy burden. This highlights the need to set up a national fund specialized in financing the activity of warehouse construction or maintenance of furnishing activity throughout the country, provided that this fund with all its operational crews be put under the control of the Public Government Services Authority.

2. As far as the human element in the warehouses is concerned, the promotion of workers must be tied to passing special training courses and to rewards and incentives offered by the agencies for which they work, in addition to a rewarding hazardous work allowance under the name of a "warehousing safety allowance" amounting to 30 percent of the wages. It is also necessary to draw the attention of all the agencies concerned to observe the requirements that must be met when selecting warehouse managers.

3. The solution proposed for the problem of unsold stockpiles is:

- The agencies that have not yet set up control units on the pretext of the unavailability of the labor should be instructed to permit establishing new jobs for control units to solve this problem in a manner that ensures that stricter control be established over the stockpiles and that the requirements be assessed according to actual needs, provided that the heads of these units come under the technical and administrative control of the Government Services Authority.

- The committees formed previously must continue their efforts to dispose of the unsold varieties in all the government warehouses. These efforts must be made under the ultimate supervision of the higher committee.

- The higher committee's decision not to dispose of the unsalable stockpile at a price below its book price should be reconsidered because the currently prevalent market price is below these book prices.

- The public-sector companies must be instructed to dispose of their unsalable stockpiles by selling them in legal ways or by asking the Public Government Services Authority to sell them on its own.

- The minister of industry should issue a decree instructing the public-sector mining companies to purchase the scrap metal and to transport it on their own from the sites of the selling companies.

8494/6662
CSO: 4504/80

STEPS TO SUBSTANTIATE 'MADE IN EGYPT' SLOGAN OUTLINED

Cairo AL-AHRAM in Arabic 23 Oct 85 p 9

[Article by 'Imad Ghunaym: "So That 'Made in Egypt' May Not Be Turned Into Mere Slogan, It Is Required That Legislation Demanding Labeling of Goods in Circulation Be Revived"]

[Text] The slogan "made in Egypt" enjoys an overwhelming interest these days from the various intellectual, political, social, and economic tendencies. Numerous politicians and intellectuals have expressed the belief that broadening the circle of self-reliance in economic life will have the biggest impact on solving many of the problems currently facing society.

This intensifying popular tendency to crystallize the slogan "made in Egypt" has thrown on the shoulders of the economists the main burden of contributing proposals on the means that ensure the implementation of this slogan in the state's various economic activities.

Within this framework, and to launch a dialogue on this fateful issue, we present here some of the visualizations which Dr Mansur Fahmi, an economics professor at the Business College [presumably of Cairo University], deems necessary for encouraging a turn toward production and for developing the slogan "made in Egypt" through using economic and financial instruments to crystalize this slogan. Dr Mansur believes that the profit margin of Egyptian products must be raised at the various outlets so that this margin may not be less than the profit margin of similar imported products. He prefers to see the profit margin of local products exceed that of imported products in order to tempt middlemen, to compete in marketing local products. If there is any need to impose controls or restrictions on the marketed goods, then it is essential that such controls and restrictions be stricter on imports. Anybody wishing to advertise a foreign commodity must advertise in the same medium a competing Egyptian commodity and this must be stipulated in the agreement between the Egyptian and the foreign firm. A distinction must also be made in tax exemptions between those dealing with a foreign commodity and those dealing with an Egyptian commodity.

In light of the rule of providing an example, the officials must organize conferences and symposiums to advertise Egyptian products. Moreover, a

report on the efforts to use local materials instead of imported products and materials must be attached to the budget of every government company and agency.

The authorities and agencies that assist in bolstering the slogan "made in Egypt"--such as the National Research Center, the universities, the Ministry of Agriculture's research centers, the construction research centers, and the Patent and Invention Registration Authority--must be bolstered with sophisticated administrative outfits that are specialized in social marketing in order to transmit their ideas to where they are utilized. Popular investment at the broadest level must be encouraged by accepting the Egyptians' savings at the current interest rate plus at least 2 percent and these savings must be employed in Egyptian national industrial investment companies. This must be done on condition that the savings' yield to be distributed is no less than the current interest rate plus 2 percent, that the right of withdrawal at any time be guaranteed, and that an opportunity for the distribution of a higher yield be offered as long as profits permit it. Such savings should be channeled to serve projects that uphold the slogan "made in Egypt" and that specialize in producing alternatives to imports or in making up for shortages of imported goods, such as cement, glass, sanitary fixtures, readymade clothing, and other products.

A national idea bank can be founded to gather proposals, studies, and ideas and to act as a middleman between the side presenting the idea and the side using it in return for a reward given to the side offering the idea or proposal. A national management school can also be founded to train workers in the economic sector to perform administrative, supervisory, and specialized tasks. This school's work can be founded on the basis of constant training.

Dr Mansur Fahmi also demanded that the production committees be re-formed so that they may be present at all the production and service sites, with a central committee comparable to an executive board and branch committees existing in the sectors or plants and including worker representatives with the same specializations as those of the central committee. The production committee's task should be the task of fighting waste, laxness, pretended sickness, truancy and idleness, of developing the activity of the official agencies and of the popular agencies through a 30-year experience which represents the revolution's effort, and of drawing conclusions and formulating models along whose lines productive work should proceed in the light of the experience, by focusing on the positive and avoiding the negative. We have, for example, an experience in building popular agencies, embodied in the unions and in their elected members. The question raised now is: What is the formula required in the wake of all this effort?

In this regard, some of the free zones can be designated for the establishment of high-level Egyptian industries whose products are allocated for export and are not allowed to be marketed at home. It is preferable to tive such industries the right of consumer sale within the free zone. Let the first experiment in Port Said provide the example of how eager Egyptians are to frequent separate zones selling Egyptian products. We will thus build a

historical background embodied in the serious desire and effort to obtain a commodity that is tempting in price and quality and with a label saying "made in Egypt." We can thus regain part of the confidence in Egyptian products.

Dr Mansur Fahmi also drew attention to the need to revive legislation on the labeling of all goods circulated in the Egyptian market. Some people with certain interests have tried to abolish this legislation which covers the labeling of all goods circulated in the Egyptian market. The label and package must spell out all the data and information clarifying the name, trademark, manufacturing circle, method of use, and so forth. In case a product is entirely produced in Egypt, this should be pointed out. The fact should also be noted if the product is only packaged in Egypt or manufactured under a concession from a foreign firm. All this must be printed on the label in Arabic. If there is any need for another language, then it must be printed side by side with the Arabic.

This legislation also stipulates that a project's publications, commercial address, and trademark be printed in Arabic. In case of need for another language, Arabic should be the main language and should be printed boldly. This legislation is necessary to counter the labeling chaos that has prevailed in the Egyptian market for the sale of products that are packaged in Egypt or manufactured in Egypt under the system of licensing but which are sold in Egypt as products manufactured abroad. The situation has reached such a point that when some Egyptian plants reach the stage of developing their products, they choose for these products foreign names and engulf them in a foreign atmosphere to give the buyer the impression that they are foreign, not Egyptian, products.

This is in addition to the fact that the Ministry of Industry's industrial control agencies should periodically inspect the plants to check quality and to examine the specifications and other requirements of industrial standardization. It is to be noted that the role of these agencies has declined or ceased in the past 15 years.

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TUNISIA

PAPER VIEWS PROSPECTS FOR INCREASED TRADE WITH YUGOSLAVIA

Tunis DIALOGUE in French 2 Dec 85 pp 42-43

[Article by Chedly Hamrouni: "Great Prospects for Tunisian-Yugoslav Trade"]

[Text] A meeting of the Tunisian-Yugoslav Mixed Commission will take place at the beginning of 1986. In Belgrade the different parties concerned unanimously agree on the need to intensify trade with Yugoslavia's Tunisian partner.

Only a few months before the holding of a session of the Tunisian-Yugoslav Mixed Commission in Belgrade, the authorities and the boards of directors of large companies in Yugoslavia have already begun their preparations for this meeting. The federal political authorities, as well as various company directors, have expressed satisfaction regarding existing relations between Tunisia and Yugoslavia.

They consider that "the framework of cooperation between the two countries should be broadened and strengthened on the basis of trade, making it possible for the two partners to avoid the loss of foreign exchange which imports generally involve. This international trade market," they say, "is determined by the self-centered policies of the highly industrialized countries which follow a policy of protectionist measures of all kinds toward the economies of the developing countries." This reality in the international situation has led Yugoslavia to believe strongly in the more and more urgent need to improve trade cooperation between countries of the South, based on the principal of equality, in order to overcome the obstacles posed by the wealthy countries. Such a policy "will make it possible for our still fragile economies to avoid damage resulting from international monetary fluctuations which control and determine international trade."

Therefore, trade with the developing countries is not due to chance. Rather, it reflects economic necessity which is essentially aimed at halting the deterioration in the terms of trade, by developing the principle of complementary trade with those countries.

Bekto Taieb (deputy director for North Africa and the Middle East in the Yugoslav Ministry of Foreign Affairs) has stated: "For a long time relations between Yugoslavia and Tunisia have been very good. We have always had excellent relations with Tunisia since the beginning of the Tunisian nationalist movement for the liberation of the country and up to the present. Our expression of support and solidarity with Tunisia after the Israeli raid against the General Headquarters of the Palestine Liberation Organization is evidence of this," he emphasized.

Speaking of trade between the two countries, the deputy director emphasized the possibility of expanding economic cooperation, explaining that "the stagnation which was recorded in 1984 was temporary in nature, because there is no shortage of realistic proposals for trade between the two countries. There is a wide variety of Tunisian exports possible, and we think that they can increase in volume."

In this connection phosphate constitutes 41 percent of the overall value of Yugoslav imports from Tunisia, while olive oil accounts for 25 percent. Yugoslavia also imports phosphoric acid, zinc concentrates, and salt from Tunisia.

On the Tunisian side 50 percent of the volume of imports from Yugoslavia consists of wood products, and agricultural tractors account for 33 percent.

Moreover, Bekto Taieb declared that Yugoslav companies have entered into several arrangements with the Tunisian SEPEX company. The turnover has risen to $5 million. Another agreement has been reached with a large Yugoslav agricultural equipment company, valid for 3 years. It has an overall value of $96 million.

At present, Bekto Taieb concluded, Yugoslav companies have opened a continuing dialogue with their Tunisian trading partners, which proves that the stagnation recorded in 1984 was simply a passing phenomenon. The Mixed Commission and the round table which will bring the two countries together will provide a new stimulus to Tunisian-Yugoslav economic relations.

For his part Jernej Jan, a member of the Federal Executive Council, recalled the ties which unite Tunisia to Yugoslavia. He said: "There are many points of contact between the two countries which operate within the framework of the non-aligned movement and which advocate peace in the Mediterranean basin. We are working with our Tunisian brothers for a lasting peace and for more rapid and more harmonious development in the framework of independence and non interference in the affairs of the other country."

Recalling existing trade between the two countries, Jernej Jan, while affirming the desire of his country to intensify trade with Tunisia, declared that Tunisia has an important role among Yugoslavia's trading partners. It has an important place, and we are convinced that the volume of trade is going to increase after the meeting of the mixed commission. This is because the

two countries have substantial needs which can be satisfied by straightforward trade.

The member of the Federal Executive Council underlined "the need to diversify trade, going beyond the products exchanged in the past." He also proposed seeking new areas of trade in industry, agriculture, the transfer of technology, and the establishment of mixed companies.

"Shipad" and UPI [Consolidated Agricultural Trade and Industry] are among the largest companies in Yugoslavia. They have had business contacts with our country for a long time.

Shipad is a major producer and exporter of wood and wood products. It exports to Tunisia lumber and wooden orange crates and imports Tunisian fruit (particularly oranges). This trade is valued at $1.5 million in both directions. In exchange for lumber, it also imports Tunisian phosphate.

Atis Susic, director of special services for Shipad, has long emphasized the need to expand further the volume and range of products traded between the two countries.

The director of this very large company, which employs 80,000 workers, also sought to explain the importance of developing cooperation with Tunisian companies, on the basis of trading their respective products. Atif Susic proposed the participation by Shipad in the establishment of a mixed Tunisian and Yugoslav company. He said that this company could be set up in Tunisia and would be involved in processing wood imported from Yugoslavia in different sectors of activity, ranging from household furniture to decorations for the Tunisian hotel industry. Such a company would serve the two partners, Atif Susic explained. Not only would it make it possible to create new jobs, but it would also ease the problem of importing wood by Tunisia. Such an initiative would also make it possible for Shipad, on the one hand, to export its products and, on the other hand, to import other products needed by the Yugoslav economy.

Moreover, the director of Shipad continued, industrial cooperation can contribute to lowering costs and to fighting against inflation.

In the cooperative program which it hopes to undertake with its Tunisian partners Shipad is also proposing a reforestation program for Tunisia.

The UPI, another large Yugoslav company located in Bosnia Herzegovina, attaches great importance to trade with Tunisia.

Saradzic Zijad and Alija Pasic, two high officials of the board of directors of the company, emphasized the intimate relations which they have with Tunisian companies.

In effect, UPI has imported citrus fruit from Tunisia up to the present. For the past 2 years the company has expanded its field of activity and has imported other Tunisian products, including phosphates and chemical fertilizers.

UPI has concluded an agreement with the Tunisian company CEPEX, covering $16 million in imports and an equal value in exports. This agreement is for 1 year and can be renewed.

During October 1985 UPI undertook a program for the exchange of fruit packaging materials, against Tunisian oranges. The value of this trade is $1.3 million. There has also been a transaction worth $2 million, consisting of Yugoslav white woods against Tunisian phosphate.

The UPI has also been involved in close cooperation with the "El Louhoum" company in the meat processing trade. The directors emphasize that this trade has been going on for 20 years. The cooperation has been expanded with the establishment of the "SICOY" company, a mixed Tunisian-Yugoslav enterprise located in the "El Louhoum" company. This mixed enterprise is engaged in the vacuum processing of beef and mutton.

Elsewhere, UPI has established contact with the GIAP citrus group in Tunisia. UPI states that "we are major importers of Tunisian citrus fruit. This fruit is much in demand in Yugoslavia. We are in second place, after France, taking 12 million tons annually of Tunisian citrus."

This company has also developed close relations with the "ICM" chemical company for the import of phosphates into Yugoslavia. Yugoslavia's needs in this area amount to 360,000 tons per year, worth about $300 million.

Shortly before the meeting of the Tunisian-Yugoslav Mixed Commission new prospects are opening up for cooperation between the two countries. Tunisian and Yugoslav companies have laid the foundations for much more concrete and perceptible relations as part of a development policy serving the interest of the two countries.

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TUNISIA

CITRUS FRUIT MARKET IN EEC COUNTRIES

Tunis DIALOGUE in French 2 Dec 85 p 17

[Article: "One Month Before the Expansion of the Common Market"]

> [Text] Tunisia reportedly exports each year to the European Economic Community 46,000 tons of olive oil, 23,000 tons of oranges, 4,000 hectoliters of wine in bottles, and 144,000 hectoliters of wine in bulk. The 10 members of the EEC, which will number 12, beginning on 1 January 1986, have agreed that this Tunisian quota will be maintained until 1990, at which time it will reportedly be reconsidered.

To know more about the decisions made in Brussels on 25 November 1985 by the foreign ministers of the 10 member countries of the EEC, it will be necessary to wait for the opening of negotiations between the community and Tunisia, which will be held toward the end of 1985.

Concern Dissipated?

However, we should keep in mind that the beginning of a solution is now appearing on the horizon. Spain and Portugal, the two new members of the community, have agreed to future arrangements for the export of Mediterranean agricultural products, at least for a period of 6 years.

Normally, there should no longer be any need for concern by the traditional Mediterranean trading partners of the EEC, at least in principle. However, in reality we note a certain gap between the intentions expressed on many occasions by the community to guarantee the sale of our agricultural exports and the rather narrow arrangements recently proposed in Brussels.

The progrm for the negotiations which reportedly will be concluded before the end of December 1985 has two aspects:

--The progressive elimination over a period of 6 years of customs duties on Mediterranean agricultural products, which are to be done away with at the same rate as the elimination of customs duties on Spanish and Portuguese agricultural products.

--After 1991, the reduction of the "minimum import price" on five products (fresh grapes, tangerines, oranges, lemons, and tomatoes), in case there is a decline in the export of these products by Mediterranean countries, by comparison with exports between 1980 and 1984.

Regarding wine, customs duties reportedly will also be reduced, and the EEC reportedly will encourage the import of wine in bottles, rather than wine in bulk, while guaranteeing a certain volume of trade.

The Advantages of a Concerted Approach

There, in rough outline, are the proposals adopted by the 10 members of the EEC. It is now a matter of waiting for the final negotiations scheduled for the end of December 1985.

On this occasion it is appropriate to emphasize that the Tunisian position on the subject of the expansion of the EEC has been clearly defined on numerous occasions.

Tunisia is in favor of the development of a concerted approach in conjunction with other Mediterranean countries and considered in April 1985 that more concrete and more specific measures should have been considered, particularly in terms of reducing the existing imbalance in the traditional trade between Tunisia and the EEC. It is also worth recalling that the political and economic fallout from the expansion of the EEC goes well beyond the borders of the community itself. This situation cannot leave Tunisia unaffected, particularly if we consider the long term and privileged relations which it has with Europe.

The Aide Memoire of June 1984

In our view the expansion of the community which will enter into effect in January 1986, should not broaden or aggravate the protectionist measures which have hampered traditional trade over the last few years. Moreover, Tunisia has continued to call on Europe to provide evidence of its new Mediterranean outlook and its ability to preserve the traditional and legitimate interests of the states associated with the EEC, particuylarly those of the Maghreb area, in the framework of community Mediterranean policy.

Let us recall in this regard that Tunisia presented to the European Commission and to the member countries of the EEC some 18 months ago (on 13 June 1984) an aide memoire in which it reiterated its concerns and set out the measures needed to protect its interests.

Tunisia was therefore prepared to support any initiative and to participate in the preparation of a "new Mediterranean policy for the enlarged community," provided it was based on the assurance that traditional trade between Tunisia and the community would be maintained and that a balanced policy would be followed toward the countries of the southern shore of the Mediterranean and in particular the countries of the Maghreb.

The expansion of the EEC, which will take effect in 1 month, should not, in our view, change the Mediterranean policy of Europe or lead to a policy of trade imbalance. On the contrary, the expansion of the EEC should normally be the occasion for rethinking and rebalancing the relations of Europe with the Maghreb region.

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BAHRAIN

CHAMBER OF COMMERCE DISCUSSES ITS ROLE, ECONOMY

Manama AKHBAR AL-KHALIJ in Arabic 19, 22 Nov 85 p 8

[Articles by Usamah Mahran: "Heated Dialogue with Chamber of Commerce Officials"]

[19 Nov 85 p 7]

[Text] Several topics and economic issues were the subjects, of discussion at the press conference which the board of the Bahraini Chamber of Commerce and Industry held the day before yesterday. At this conference chamber officials confirmed that the economic stimulation committee had arrived at several conclusions, which are in the final drafting stage. They also emphasized that the chamber played a distinct role in urging the government to enact a law stopping the lease of commercial registers to foreigners. It also had a role in the enactment of the national industry protection law and a committee was formed to amend the chamber's law to keep up with economic developments in the country, the most important of which are the construction of the Bahrain-Saudi causeway, economic stagnation, and the implementation of economic agreements with GCC countries, in addition to the chamber's Arab connection through the Arab Chambers of Commerce Federation and its international connections via the joint Arab-foreign chambers. The officials announced and affirmed all this at the conference, but no one expected this encounter to turn into a confrontation between the chairman and the chamber's board members on the one hand and the representatives of the local press on the other.

Chamber officials reproached the press mainly for publicizing inaccurate reports and for falling into pitfalls, saying that it should avoid chamber studies, policies, and proposals.

On the other hand, the local press found several faults in the chamber and its recent practices. Among these faults were that the chamber closed all doors in the face of th press and that it imposed an information blackout prohibiting chamber officials from giving any statements to any journalist in the country save for the news the chamber wants published. Another criticism the press had was that the chamber withheld information about its meetings and the results of its periodic studies as though this information were an untouchable military secret or a war decision.

The two parties thus began this dialogue, moving from one issue to another and from one charge to another. But how did all the parties thereafter switch to a discussion of the dimensions of the current economic situation and the current trade activity? What results did the two parties reach as a result of this confrontation, which everyone affirmed could be used as an objective basis for a continuing positive dialogue between the press and the chamber of commerce, both now and in the future?

President's Speech

Chamber president Mr Qasim Ahmad Fakhru opened the conference with a speech thanking the press for the role it plays. He then touched on the tasks currently assigned the chamber and the role of the board members.

He said: "I consider this encounter a brotherly meeting between two institutions." He then underscored the chamber's role as a public institution performing responsibility toward society. The responsibility of the chamber's board members is embodied in being a voluntary service by a sector to which the board members belong, the commercial and industrial sector.

He said: "We hope to convey through the local press our visions and our accomplishments through this board in its current session."

He announced that the chamber's board in this session had drawn up a comprehensive work plan in view of the fact that the chamber is an elected public institution for the public good and that its decisions are advisory decisions. Furthermore, this work plan takes into account all developments which have taken or will take place in the economic arena, such as the imminent opening of the causeway, the slowdown in the economic sector, and the implementation of the economic agreement among the GCC countries. Mr Qasim Fakhru said in the same speech that the committee which the chamber formed to study the economic situation under the chairmanship of Mr Hasan Zayn al-'Abdin, first deputy to the chamber's president, had almost completed its comprehensive report, which will be submitted to the chamber's board and then to the competent authorities through the joint economic committee of the Ministry of Commerce and Agriculture and through the chamber under the chairmanship of his excellency the minister of commerce.

Journalistic Honesty and Economic Conditions

Thereafter, Mr Hasan Zayn al-'Abdin delivered a speech in which he said: "Out of our belief in the role the press can play, we hope that it will pursue accuracy, truth, and honesty in obtaining information and news. Journalists must obtain information from its main sources to avoid any confusion while discussing important questions relating to all groups. This is a point on which I wanted to focus from the start out of our belief in the role of the press and our conviction that the relationship between us and the press must be deep and lasting." After that, Mr al-'Abdin talked about the chamber's role, locally through the economic studies committee; on the Gulf level, through participation in the enforcement of the GCC economic agreement's provisions; and on the Arab and international levels through the

Arab Chambers of Commerce Federation and the joint Arab and foreign chambers. He said: "The chamber cannot afford at all to insulate itself from what goes on around it in the region or in other countries of the world because economic matters have become integrated, interrelated, and interlinked and can indeed influence the internal conditions of any country."

He emphasized that the Bahraini Chamber of Commerce and Industry initiated the study of the economic slowdown which every person in Bahrain has felt. He said the ad hoc committee which had been formed was winding up its findings, which the chamber's board was planning to debate through various official channels.

Recession, Not Stagnation

In the same vein, Mr Jasim Muhammad al-Saffar, second deputy to the chamber's president, emphasized that the press must be cautious and avoid exaggerations and false reporting on the premise that we are a small country where everyone knows everyone else, and when false news is published, the whole situation is distorted.

Mr al-Saffar then moved on to the economic situation, saying: "We cannot claim that the country's economy is deteriorating, but we can say that what we are going through is nothing but a recession in economic growth rates compared to the upswing in recent years. This of course requires a remedy, provided that we first get to the root of such a recession. I think that the chamber has done all it can to remedy this situation."

Two Points of View

As for Mr 'Ali Salih al-Salih, board member of the Bahraini Chamber of Commerce and Industry, he said: "It is very important to enable the press to obtain correct information, or at least to make it aware of the chamber's point of view on all issues under discussion. Actually, I do not believe that this meeting came too late, at least with regard to the new board, for this board is only 7 months old. I also do not believe that we have been too slow or too late in meeting with the press because there were two points of view.

"The first point is embodied in the need to give the press a plan of what we intend to do and the second says: Let us achieve something first, then present it to the press as genuine accomplishment by the new board.

"The fact is that for 7 months I have believed that there has been a qualitative shift in the chamber's plans, which I consider a strategic transformation it has achieved in this period. I say this on the premise that the chamber has realized many accomplishments in a short period of time, but the nature of economic studies is always marked by slowness and a tendency to overanalyze. That is why I laud the chamber's new leaders who have faced difficult choices, in addition to the fact that they have been in office only a short time, that the current economic situation in Bahrain and the region has begun to undergo new changes and dimensions, and

that the unified economic agreement among GCC countries has entered new phases of implemention. Add to that, or course, the construction of the Bahraini-Saudi causeway.

"The fact is that all these challenges are tantamount to changes which require new ways for dealing with them."

Mr 'Ali al-Salih in his speech touched on the status of the Bahraini businessman who is always under indictment, "for if one businessman commits a mistake, all the businessmen are accused of greed and disregard for the national interest. Perhaps this impression is the result of the lack of full cooperation between the chanber and the press for I can affirm that it has been almost nonexistent. Nonetheless, I say that the chamber is not an institution for the defense of business interests at any cost. It is an institution whose primary role is to create a kind of balance between business interests and the consumer's interests in order that the chamber may be able to serve the people as a whole."

Very Special Situations

On another level, chamber board member Mr Hamad Ibil took the podium, saying: "I thank the local press for all it has offered the country in past years. We in the industrial sector believe that the press has supported this sector and has provided it with help, which has led to good results." Mr Ibil then moved on to the chamber's role represented in its study of the conditions Bahrain is experiencing, from the standpoint that these are considered as very special situations, such as the fall in the economic growth rates due to lower oil prices and a drop in oil revenues, something which has affected trade activity as a whole. On this basis, we, the board members, are trying through joint and ad hoc committees to study the current situation. I believe that all responsible institutions in the country ought to be fully aware of these previaling circumstances and to deal with them wisely and knowledgeably.

"Herein comes the role of the press which, I hope, once again, is aware of the current circumstances and that it will deal with economic issues with a sense of responsibility, away from generalities and confusion, will be ethical in its dealings with institutions and individuals, and will avoid pitfalls."

In conclusion, 'Abd-al'Nabi al-Sha'lah, board member and chairman of the public relations and information committee, confirmed that the board affords great attention to cooperation with the press through the committees and the board as a whole, "for we want your cooperation and your support for the chamber's role and your understanding of the nature of its work. A difference of opinion does not mean behind-the-scenes fragmentation and vascillation. We view any difference of opinion as a healthy phenomenon. When we reconsider decisions we have adopted, this indicates the extent of the official's awareness."

Thus the board members of the Bahraini Chamber of Commerce and Industry had their say about current economic conditions, as did the local press. However, the minutes of the heated dialogue with the representatives of the local press will be presented in another article in which the reporters will have their say.

[22 Nov 85 p 5]

[Text] In the previous article about the press conference which the chairman and board members of the Bahraini Chamber of Commerce and Industry held, chamber officials, at the beginning and end of their speeches, focused on the role the press should be playing now more than at any other time in the past.

In the same article these officials touched on some important economic issues. However, contrary to what everyone expected, the discussion of money, business, development, and trade issues was the exception at this conference. Commenting about the press reporters was the rule. This was done either by giving advice, accusing the local press of publishing lies, or by charging its with dishonesty.

In this issue, we will, through this conference and without any intrusion on our part, try to present the minutes of the heated dialogue and the details of the confrontation between the representatives of the local press and the chamber of commerce officials.

Press: It is clear that this conference came as a reaction to recent press reports about the chamber's role and relationship with the various press media. In our daily dealings with chamber officials, we see that there is no true cooperation on the part of the officials with the press. We say this on the premise that we have not been told anything about the results of studies prepared by the chamber, such as the causeway study, the economic remedy study, and, perhaps, other studies.

Other signs of chamber non-cooperation with the press is the fact that while the chamber played an important role in the adoption of government decisions to stop leasing commercial registers to foreigners, no one knew about this role until these decisions had been made, although we were following chamber business every day.

Chamber President Ahmad Fakhru: First, I would like to point out that this conference was not held as a reaction to recent reports in the press, but rather as a result of incessant press reports, and not just recent ones.

The fact is, as I confirmed at the outset, this encounter had been scheduled. As AKHBAR AL-KHALIJ was well aware, in the wake of the chamber's executive elections and my election as president, we held a meeting with the brothers --in the presence of the president's first deputy and some office staff members--as we held several meetings with other newspapers and magazines in the country in which we explained what we hoped to offer the business community, especially since the chamber's work is ongoing and interconnected.

The new council did not start from zero but rather from where the old council left off. As for the study of the economic situation, there are studies which have not yet been completed. The causeway study, for example, was ratified only 3 weeks ago. We cannot present any study for pollution before all its aspects are completed. I say this based on the premise that these studies expalin the chamber's position and, in light of this, we calmly discuss the given facts of these same studies to enable the authorities to make appropriate decisions and coordinate between what we discuss with our brothers in the Chamber of Commerce and what the government puts forth. There is a higher committee for the causeway and the subject was actually raised in recent meetings of the joint economic committee.

With regard to the economic situation study, as the brothers have already mentioned, it is still in the final drafting stage. Therefore, any study we give you would be incomplete. I admit to some failing, but take it easy with us. We are ready to tell you some things, but other things are not for publication at present. I know that you know much about a large number of issues, but you must choose the right time for publishing it because this would be in the interest of the studies themselves.

About leasing the commercial register to foreigners, this has been under discussion for more than 4 years and the chamber of commerce used to raise this subject. It raised it at the meetings of the joint economic committee with the Ministry of Commerce, and we were the first ones to call for this matter because chamber members became aware of the foreign competition our people had to face as a result of such a practice.

We did in fact submit our porposals to the officials with the end result which you are not witnessing.

Also, we were the first to call for the enactment of a law to protect national industry in response to a sincere wish by the chamber's industrial members.

The truth is that all the country's officials have cooperated with us in response to the instructions of his royal highness the amir, his highness the prime minister, and his highness the crown prince.

Studies Not for Publication

Hamad Ibil: Regarding the reporters' request to publish the studies, AKHBAR A:-KHALIJ's request specifically, I would like to say that these studies are not for publication. These studies are prepared to propose certain policies related to specific issues. These proposals are submitted to competent authorities for debate and adoption. Such studies are useless if published before achieving the ultimate goal embodied in such decisions as stopping the lease of commercial registers to foreigners, enacting a national industry protection law, and dealing with economic stagnation. However, if these studies are leaked for publication in the press before reaching this level, they become worthless. We do not prepare studies for study alone. The main objective of these studies is to remedy certain situations and find

ways to overcome some problems, especially since the Chamber of Commerce cannot deal with some situations by itself but suggests that such studies be referred to the responsible authorities for implementation. However, all these perils notwithstanding, the conclusions of these studies at certain stages may be published, but as for their recommendations and policies, their publication undermines the goal for which they were originally prepared.

Press: We do not know what role the press is expected to play. Hence, if the Chamber of Commerce board meetings have become secret and the studies they produce are not for publication, why do you not include the press, as the party that reflects the people's opinions, in debates about these studies, even in their preliminary form, especially since the studies you prepare go directly to the officials without passing by the commercial community, by the people, and by the employees? Why does the chamber lack this sort of interaction?

Hamad Ibil, chamber board member and chairman of the economic studies commitee: I mean the studies, not the issues. I agree with you that the press should discuss issues under consideration and should discuss economic stagnation, but it must not discuss policies proposed by these studies.

Press: By this you are placing barriers between the commercial community and the chamber.

Hamad Ibil: The community should debate issues, not studies, and the press should debate issues only, not studies. It is not the reporters' job to discuss the studies or policies we prepare.

Press: Then how can we work in this kind of climate? It is known that one of the press's strategic tasks is to discuss policies and proposals submitted on any study by any economic side. You cannot tell us what to discuss and what to leave alone. We are well aware of our responsibilities. We know what to publish and what not to publish. We know when and how to publish these studies. But in all cases, the people must take part in making and implementing all the policies proposed by the aforementioned studies, particularly since the responsibility here does not fall on the chamber alone or on the side responsible for implementation. The people must participate in studies because the implementation of policies proposed by the chamber will above all reflect on these people!

'Abd-al-Nabi al-Sha'lah, chamber board member and chairman of the public relations and information committee: The fact is that if we referred to all the files, we would find that we have not withheld any studies from the press. There are only two studies in which you have been interested; the causeway study and the economic situation study. A look at the latter reveals that it is still in the preparation and revision stage. As for the other study about the causeway's effects, we believe that the public interest compels us to withhold publication of such data for the time being. We are confident of your cooperation and understanding in this matter, particularly since the causeway study has been prepared for two reasons:

First, it is not for publication.

Second, it is considered as a reference which can be of great help to us in later stages of the debate, be it through the joint economic committee with the Ministry of Commerce, or through the joint committee with the Chamber of Commerce and Industry for the eastern region. At this stage, I believe that if these studies are left within these frameworks and these circles, they can be of greater service to the community. And while this is our goal, it is yours too.

'Ali Salih al-Salih, chamber board member: We talked at the beginning about the freedom and role of the press. I think that secrecy is the exception and the rule is to give the press all the information it wants. However, certain topics are hurt by publicity. Herein lies the press' responsibility to know what and what not to publish. Many studies, even the ones AKHBAR AL-KHALIJ has requested and talked about in this dialogue, have fallen into its hands.

Press: Nonetheless, we have not published them because we are well aware of our responsiblities.

'Ali al-Salih: Therefore, we should cooperate with the press and must be its source of information. We should cooperate with reporters and discuss with them some sensitive subjects. I believe certain subjects require secrecy, and publication may be right at a certain time and wrong at another time.

'Abd-al-Nabi al-Sha'lah: From now on, the public relations and information apparatus, in cooperation with the board's secretariat, will provide you with all the information you want at any time.

Press: We would like to know the reasons why chamber administrative staff members Mr 'Abd-al-Rahim Hasan Naqi and Mr 'Abd-al-Hadi Marhum were punished?

Qasim Ahmad Fakhru: The Chamber of Commerce is a public institution responsible to a certain sector in this country. The chamber's board has set down some rules and regulations in accordance with bylaws and administrative regulations. We at the Chamber of Commerce, like any other government or private institution, large or small, have specific prerequisites, particularly with regard to doing business with us. The board sees that certain reports have been leaked to the press, in addition to the fact that it found the two members out of line in their statements about board or administrative staff members. We, as people in authority in this institution, have the right to look at this indiscretion. We did in fact form a two-member board committee to look into this matter and discuss it with others. We made our decisions on the basis that the leaked technical committee report about upgrading the chamber's administrative apparatus had been distributed to some board members, in addition to some members of the chamber staff. Following the investigation, and because the chamber's board cooperated fully in that it was firm without disregarding the human factor or the consistently serious work of these two members, we made our decision to transfer them. The first member

was acting public affairs director and the board felt that public relations should have a full-time officer. The other was transferred to another chamber position. They are now performing their duties excellently. I emphasize that they were cooperative and admitted their indiscretion. They sent a letter of apology to us, and I do not imagine that anyone who sends such a letter is not admitting wrongdoing. We consider brother 'Abd-al-Rahim and brother 'Abd-al-Hadi as our brothers and indeed as our sons. We are very proud of them and greatly appreciate their efforts.

The "Sale" and Its Woes

Press: It has been rumored recently that the chamber is in the process of setting up special-price weeks for some commodity sectors in Bahrain. It has also been announced that there is a trend toward reexamining the general reduction system as a whole. What has happened concerning this confused "sale"?

Qasim Ahmad Fakhur: Many years ago, sales used to be held at irregular times and the merchants asked that they be regularized. General reduction sales were scheduled for once a year, then twice a year. Thereafter, the whole system was reexamined and sales were again scheduled for once a year following an expanded meeting attended by representatives of all the commodity sectors in the country last December 1984. As you know, some asked that the "sale" be cancelled altogether because discipline was lacking and the "sale" was in name only. As is also known, there is a joint committee between the chamber and the Ministry of Commerce and both sides are working together in mutual cooperation. Hence, permission to hold a reduction week came from an official body, the Ministry of Commerce, in cooperation with the chamber. We discussed this matter through this committee and decided to have a sale once a year. Thereafter, shoe and garment merchants asked for exemptions because they carried seasonal items. We decided to undertake a study in the chamber which will be submitted to the board upon completion. We will thereafter submit it to the Ministry of Commerce through the joint economic committee in order to exempt these of other merchants to allow them to hold a special reduction week once a year to move their seasonal items. I emphasize that this study has not been decided upon. There was some confusion, however, because there is one organizational committee organizing the sale process, but it is not empowered to make decisions. The side empowered to make such decisions is the joint economic committee of the Ministry of Commerce and the chamber, especially since the Ministry of Commerce believes that if the need for special prices does exist, all sectors must be included, for this system must not be a monopoly of the shoe and garment merchants. This entire question will be referred to the joint economic committee.

Training and Chamber Resources

Press: We heard that the chamber has taken an interest in training and upgrading the administrative apparatus. What has been done in this field?

Jasim al-Shatti, chamber director general: Right now we have a timetable in mind whereby the chamber's personnel may be trained.

Jasim Muhammad Fakhru, management and budget committee member: As Mr al-Shatti stated, we do in fact have a training program in mind. This matter, however, depends on the time when this program can be carried out. We in the chamber, in less than 6 or 7 months, have been able to identify our needs for cadres and managers in light of which we have decided to send employees abroad for training or to hold training courses at the chamber by bringing in qualified people to give lectures or hold seminars.

'Ali Salih: The matter of training has not escaped us. The report published in AKHBAR AL-KHALIJ explained the extent of the chamber's interest in job training and in upgrading the administrative apparatus at the highest levels, be it through local committees within the chamber or through foreign expertise. But training costs money and the chamber, although it is called a chamber of commerce, is poor in resources. This is a fact of which not many people are aware.

The fact is that the chamber has recently begun to feel somwhat pleased with the current situation after paying off the bank loan which was borrowed to build the chamber's building. Thus, there is a chance now for training cadres either by sending them abroad or conducting various studies. I think that as the chamber's financial situation changes, the picture will also change, God willing.

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BAHRAIN

COMMERCE GROUP SEEKS BAHRAINIZATION OF FOREIGN BANKS

Manama AKHBAR AL-KHALIJ in Arabic 19 Nov 85 pp 1, 10

[Article: "Chamber of Commerce Studies Demands of Bahrainization of Foreign Commercial Banks"]

[Text] Board chairman of the Bahraini Chamber of Commerce and Industry, Mr Qasim Ahmad Fakhru, disclosed at the press conference held 2 days ago between members of the board of the Chamber of Commerce and representatives of the press the existence of a chamber study about the "naturalization" of foreign commercial banks operating in Bahrain. This follows the example of Saudi Arabia, Kuwait, and other neighboring countries whereby 51 percent of these banks' capital would be Bahraini-owned and the remaining 49 percent foreign-owned.

Mr Qasim Fakhru confirmed that the Bahraini Chamber of Commerce and Industry had prepared a memorandum in this regard which it submitted to some responsible sides, preparatory to presenting it to the country's highest levels for debate and adoption of appropriate resolutions.

The Bahraini Monetary Organization had denied the existence of a plan to "naturalize" foreign commercial banks operating in the country.

On the other hand, AKHBAR AL-KHALIJ has learned that discussions were underway between Bahraini Monetary Organization officials and offshore bank officials in Bahrain to draw up a work plan in light of existing circumstances.

It had been rumored that the monetary organization asked some small banks in Bahrain to undertake a merger to raise their capital and to draw up a joint work plan.

It is noteworthy that a ministerial committee, composed of officials in the Finance Ministry and the Bahraini Monetary Organization, is in the process of drawing up a new strategy for banking activity in Bahrain as part of a comprehensive economic strategy.

Morever, the Bahraini Chamber of Commerce and Industry is currently putting the finishing touches on a study it has prepared about ways to stimulate the economy, including the commercial and offshore banking sector.

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BUSINESS LEADER LOOKS AT FUTURE OF ECONOMY

Manama AL-ADWA' in Arabic 23 Nov 85 p 7

[Article by Sami Kamal: "Will the Economic Sitaution Undergo a New Recovery? Banks, Hotels, and Other Services Pin Hopes on Causeway Opening"]

[Text] Will economic conditions undergo another recovery in the area? This is a question on the minds of many people in view of continued economic stagnation and recession in the Gulf countries, including Bahrain recently.

The Bahrain Chamber of Commerce and Industry on its part formed a committee to stimulate the economic and trade situation in Bahrain. This committee has undertaken a study of present conditions to prescribe remedies and push the economic and business sector toward recovery.

Features of Recession

Mr 'Abd-al-Nabi al-Sha'lah, well-known businessman, board member of the Bahraini Chamber of Commerce and Industry, and chairman of its public relations committee, has contributed to the committee's activities through his responsibility of studying the situation of the service sector in Bahrain.

AL-ADWA' interviewed him in order to explore the features and manifestations of the economic recession in this sector as well as future prospects for economic recovery and the effect of the Bahraini-Saudi causeway on recovery in Bahrain.

To start with, Mr 'Abd-al-Nabi al-Sha'lah said that the economic sectors are interconnected and, therefore, each one is influenced by the other. The service sector is broad and diverse for it includes the hotel sector, the banking sector, and the consulting service sector in addition to support services.

Undoubtedly, said Mr Al-Sha'lah, the hotel sector is suffering an economic recession, the most important manifestation of which is a drop in the number of foreign businessmen visiting Bahrain, in addition to the fact that the country lacks tourist status and therefore the number of tourists is almost nil save for a considerable number of brothers who come from some neighboring Gulf countries.

Encouraging Indicators

He also said that an encouraging indicator is that available statistics show that Saudi visitors constitute 28-30 percent of the total number of people visiting Bahrain and that they occupy 18-20 percent of the hotel rooms. This percentage includes Saudi citizens and other Saudi Arabian residents coming to Bahrain.

Another sign of economic recession in the hotel sector, according to 'Abd-al-Nabi al-Sha'lah, is that the hotel reservation rate is between 60 and 65 percent, besides a drop in the use of other hotel facilities such as halls and restaurants compared to the period when the number of banks and commercial institutions in Bahrain increased.

He also said that hotel sector employees attach importance to the completion of the causeway, in the hope that hotel reservations will pick up considerably. Furthermore, many are pinning their hopes on the promotion of tourism and enterprises among GCC countries and are looking to expanded activity in setting up fairs and seminars, the kind of activity which draws a large number of visitors to Bahrain.

Drop in Remittances

As for the banking sector, Mr Al-Sha'lah said that the recession had an effect on this sector, which is natural because a drop in commercial activity is followed by a drop in services the sector offers the business sector. A drop in the size of remittances abroad has been noted due to a drop in foreign labor. It is well known that "offshore" banking units are going through a period of rationalization and reexamination of their business practices which means a drop in their contribution to the GNP as a result of cost reductions to rationalize spending.

'Abd-al-Nabi al-Sha'lah said: "Many areas in the consulting service sector have undergone some recovery despite the economic recession, for in these circumstances there is a need for rationalizing spending and improving performance. Therefore, many sides are turning to consulting services more than they normally do in cases of economic boom. For example, there is a boom in promotional activities such as advertising services. It is well known that in an economic recession, sellers compete to attract consumers whose purchasing power drops in these circumstances and who become more careful and selective in their consumption patterns."

Advertising Prevails

He said: "This phenomenon is manifested in the spending or appropriations large corporations earmark for advertising in the region where companies compete for consumers through high-quality and cost-effective products, considerations consumers overlook in an economic boom due to stronger consumption and purchasing power.

"I believe that sectors such as law, accounting, auditing, and other management services flourish in times of economic recession due to a greater interest in and need for more organization and administrative efficiency to make the best possible use of corporate capabilities."

Mr Al-Sha'lah said: "The contracting and construction sector, in my opinion, falls within the service sector, which is suffering from the economic stagnation. This is natural, particularly since this sector depends to a large extent on government spending on construction and development projects. Due to a drop in revenues because of lower oil prices and exports, the government is spending less on construction projects.

"As for the real estate sector, it is suffering from the prevailing situation where a number of factors have come together, including lower demand and higher supply or rental properties which in turn have led to a 50-60 percent reduction in rental fees. It is noted that real estate rental agencies are beginning to change. They are encouraging people to move by offering lower prices and better quality. This is the only way they can survive in business."

Mr 'Abd-al-Nabi al-Sha'lah added: "Viewed from a purely administrative point of view, this is a healthy and desirable phenomenon. Lower rents mean a return to reasonable rates compared to the inflated prices which prevailed in the past. They also mean greater landlord interest in upgrading their properties to attract tenants and better performance by real estate rental agencies in order to compete and survive."

New Recovery

About expectations for an economic recovery in the near future, "Abd-al-Nabi al-Sha'lah said: "It is difficult to give a positive answer about economic recovery expectations because the factors influencing the prevailing situation are many and complex, in the forefront of which is the possibility of better conditions in the oil market. Experts in this field emphasize that the demand for oil will increase by the end of this decade and, therefore, oil prices will rise. Another influencing factor is the Iraq-Iran war which has created a climate of instability in the region as a whole. In order to restore stability, the war must be ended."

He added: "If these two goals can be achieved, all indicators no doubt will point to another economic recovery, although I do not think that the area will experience in the foreseeable future anything similar to the economic boom of the seventies."

Mr 'Abd-al-Nabi al-Sha'lah confirmed the existence of another tendency, which suggests an economic trend toward recovery. It is a tendency by Gulf countries toward production projects following the completion of most of the infrastructure projects which consumed all of the governments' attention in the last decade. The same thing goes for private sector business activity which has started to slump. In this situation, the natural trend is toward industrialization and production activities which, by their nature, lead to possible results and more expansion in all economic activities than those that depend on consumption alone."

No Cause for Alarm

Mr 'Abd-al-Nabi al-Sha'lah talked about the effects of the Bahraini-Saudi causeway on the economic situation in Bahrain and a possible market boom:

"To begin with, I think there is no cause for alarm about the causeway having a negative effect on commercial and economic activity in the country. We must focus here on the fact that such a momentous event will create a new reality in commercial life and activity in Bahrain which require Bahraini businessmen to deal with this new reality. The ones who will be affected negatively by this event are those who will not be able to deal with the changing reality."

He emphasized that competent officials are giving this matter much attention whereby this reality can be changed gradually to allow all sectors to deal with it easily.

Market and Causeway

He said: "There is no doubt that the causeway will expand the market and the current purchasing power, something that will allow us to overcome the tightness of the local market, which has restricted business expansion and growth."

He added: Any result brought about by the causeway will totally depend on the rules and regulations regulating its traffic. All these matters are under serious and extensive discussion by competent officials."

He also said: "It is clear that a sector such as the communications and transportation one will undergo considerable expansion as a result of an expected greater role for Bahrain in the tourist trade to Saudi Arabia. The same thing goes for the transport of individuals whose movement between Bahrain and Saudi Arabia will be enhanced by the causeway."

Open the Doors

He pointed out that if the door of trade is opened wide to the citizens of both countries, Bahraini businessmen will have the capability to expand and enter a market 10 times as big as their own. Furthermore, this will expose businessmen to a kind of challenge and competition from the other side.

He also said that, with regard to the industry sector, it is known that the Bahraini investor has turned to two traditional fields, the business and service fields, not because he is short-sighted but because he is dealing with a local market that does not encourage industrialization due to its limitations. But in the wake of our organic link to the Saudi market, these apprehensions will have a lesser effect, even though local industry will face strong competition from similar Saudi industries because these industries receive much more support and more incentives than the local ones.

In the field of tourism, Mr Al-Sha'lah said that the number of Saudi visitors is expected to increase following the opening of the causeway, something that will reflect on the service establishments such as hotels and transportation, and even banking organizations will offer more tourist-related banking services.

At the conclusion of his talk, Mr 'Abd-al-Nabi al-Sha'lah said that the causeway's opening will provide the local labor market with other unlimited outlets, particularly in the area of massive industrial facilities which have been set up in the eastern part of Saudi Arabia.

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BAHRAIN

CHAMBER OF COMMERCE DEMANDS FOREIGN CONTRACTOR RESTRICTIONS

Manama AKHBAR AL-KHALIJ in Arabic 25 Nov 85 pp 1, 12

[Article by Usamah Mihran: "Chamber of Commerce Demands Ban on Awarding Foreign Contracts That Bahrainis Can Undertake"]

[Text] The Bahraini Chamber of Commerce and Industry has demanded that the number of projects awarded foreign contractors be restricted; that large projects be appraised according to the type of construction work; that the size of the initial guarantee currently in effect be reduced; that payment of contractor claims be expedited; and that the amounts of the letters of guarantee that local contractors have to assume be reduced.

The Chamber of Commerce, in a working paper to be submitted to the expanded meeting of local contractors, which is scheduled to be held in the chamber's building the day after tomorrow, Wednesday, also demanded that workers who run away from local contracting companies be punished and that the present law providing for the imprisonment of employers who hire runaways be implemented. The Chamber of Commerce demanded in the same working paper that the situation of the country's contractors be discussed and advertising fees be reexamined and reduced. It also asked the Ministry of Labor and other competent ministries to stipulate in the building license that the contractor be a Bahraini citizen, particularly with regard to projects which are within the ability of such contractors to carry out.

The chamber also asked that the number of projects foreign contractors are allowed to join be limited and that the Bahraini partner be directly responsible for all actions, responsibilities, and obligations with regard to joint companies and that such companies not be allowed to foreign contractors be given to local contractors.

The chamber's working paper also demanded that large projects be broken up according to the type of construction work each project requires so as to give several contractors a chance to participate in the project.

It pointed to the necessity to reduce the rate of the initial guarantee in effect now, to reexamine fines, and to make sure contractors receive advance payments for projects they carry out for the government in exchange for a bank guarantee, in addition to facilitating the procedure of bringing in foreign labor and creating a special system for transferring employment cards.

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BAHRAIN

EFFECTS OF BAHRAIN-SAUDI CAUSEWAY SCRUTINIZED

London AL-HAWADITH in Arabic 13 Dec 85 pp 58-59

[Article: "Bahrain-Saudi Causeway and Trade Apprehensions"]

[Text] A final decision has been reached to complete the first contract for constructing the Bahrain-Saudi causeway by the 20th of next January. Shaykh Ibrahim al-Khalifah, the causeway project coordinator, confirmed that the major part of the causeway from the Sadui coast to Bahrain's west coast has been paved with asphalt and 90 percent of the safety railing has been installed. Work is underway to make simple adjustments, after which the railing will be completely finished.

On the other hand, Qasim Ahmad Fakhru, chairman of the board of the Bahraini Chamber of Commerce and Industry, announced that the joint committee of the Bahraini Chamber of Commerce and Industry and the Saudi eastern region's Chamber of Commerce, which includes the chairmen of both chambers and five members from each chamber, will meet in Bahrain on 28-29 December to discuss the possible effects of the causeway, which links Bahrain to Saudi Arabia, and to draw up a program for private-sector activity.

He explained that this committee will be tantamount to a permanent committee because the causeway will generate a continual flow of data. He said: "The chamber's board of directors recently adopted the study prepared for the chamber's study and research section about the causeway's mutual effects. Executive steps have been taken to discuss such effects at the state level. The study focused on ways to protect trade in Bahrain and on its possible influence on the Bahraini people as a whole and not only on the trade sector."

Most Bahraini businessmen, according to a poll recently taken by the Chamber of Commerce and Industry, agreed that trade activity in Bahrain will increase following the opening of the Bahrain-Saudi causeway and that it is very possible that prices of goods and commodities will drop on the Bahrain market.

The study the chamber prepared about the causeway's effects disclosed that some businessmen asked for permission to open branch offices in Saudi Arabia and to reach an agreement with the Saudi Government to allow Bahraini

businessmen to open letters of credit to import goods directly from Saudi ports, besides facilitating transit procedures in Bahrain port, lowering the costs of this service, and promoting the commission trade after the causeway is completed on the part of the government and the banks.

The businessmen also demanded that import ant export legislation, as well as government fees, be standarized and that customs duties on imported goods be canceled or drastically lowered.

They also asked that people who are not in business not be allowed to bring in goods when they enter Bahrain, to ban the import of goods by unauthorized agents, to require companies and agencies in Bahrain to buy from the local market, and to lower storage fees at Bahrain port.

Most businessmen expressed their desire to set up a tax-free market close to the causeway and most of them agreed to be agents or distributors for Saudi importers.

The Chamber of Commerce and Industry's poll revealed that over 50 percent of the businessmen are apprehensive about the possibility of the causeway generating competition for them. Poll figures confirmed that 58 percent of the Bahraini businessmen feel that Saudi competition will be too stiff to withstand, while 96 percent expressed the view that Saudi markets will draw a large part of the Bahraini purchasing power.

At the level of detail, the poll results showed that the causeway will put out of work 500 maritime transport employees working between Bahrain and Damam and may lead to fewer flights between Bahrain and Charan airports. On the other hand, it will lead to a more extensive use of Salman port in Bahrain, considering that it is a transit port, particularly with regard to exports to Saudi Arabia.

The Bahraini apprehension about Saudi trade competition is due to the many advantages Saudi businessmen enjoy, the most important of which are low customs duties, wholesale discounts, and government subsidies for a large number of commodities. Such apprehensions have prompted 67.7 percent of the Bahraini businessmen polled to demand the imposition of customs duties on imported goods when they are moved between the two countries, considering that the adoption of this proposal will protect Bahraini businessmen from the flow of Saudi merchandise into Bahrain and will protect the Bahraini economy. On the other hand, the poll revealed that 47 percent of Bahraini businessmen believe that their trade with Saudi Arabia will increase after the causeway's opening due to the large Saudi market and the larger number of Saudi visitors to Bahrain; add to that the ease of obtaining some commodities over land and the possible increase in the transit business. Bahraini businessmen emphasize, however, that for this matter to become a reality, customs duties on imported goods in both countries, transit fees imposed by each country must be standardized and trade laws in Bahrain, and the kingdom must be unified.

But the consideration which Bahrainis agree will be in Bahrain's favor is the movement of individuals between the two countries across the new causeway.

On this level, Bahrain's population does not compare with the Saudi population, which means that more people will be going from Saudi Arabia to Bahrain. And whereas GCC laws allow Saudi citizens to own houses in Bahrain, Bahraini home and real estate owners expect a big real estate boom on the island.

On the other hand, Bahrain is expecting more foreign workers in Saudi Arabia to make regular and periodic visits to the island for weekend or annual vacations to enjoy the Western lifestyle there.

These causeway considerations make the Bahraini citizen enthusiastic about facilitating vehicle and human traffic procedures as much as possible and to make it, as Shaykh Ibrahim Ibn 'Abdallah al-Khalifah put it, orderly on the Bahraini side of the causeway, to make it a "bridge of love, cooperation, and welfare for both countries as well as the GCC countries, the Islamic and Arab world, and the international community."

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BRIEFS

CIVIL DEFENSE IMPROVEMENT--The cabinet in last evening's session also discussed the development of the fire department and the expansion of its jurisdiction to include, besides firefighting operations, services in the field of civil defense rescue operations in emergency situations, such as building collapses, hurricanes, and other natural disasters. The cabinet approved the conversion of a fire section into a department and entrusted the Interior Ministry with taking steps to develop this vital service and to provide it with all the equipment and cadres necessary for the execution of these new tasks. [Excerpts] [Manama AKHBAR AL-KHALIJ in Arabic 11 Nov 85 pp 1, 10] 12502/6662

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ISRAEL

MK 'EZER WEIZMANN'S POLITICAL VIEWS PROFILED

Tel Aviv YEDI'OT AHARONOT in Hebrew 18 Oct 85 Weekend Supplement p 5

[Text] 'Ezer Weizmann is one of the most colorful figures in the Israeli political arena. His personality is in total contrast to the image of the everyday politician--former Air Force commander, with a sharp tongue, candid. Some see him as cute and mischievous, as Begin described him, a person with a lot of charisma, but certainly not a serious politician. Some say that Weizmannn has a clear and realistic political mind. In any event, no one doubts the sincerity of the nephew of Israel's first president.

Weizmann, who is serving as minister without portfolio in the office of the prime minister, is today in the ranks of the opposition as far as Peres goes. Both of them, Peres and Weizmann, try hard not to let the sharp differences between them leak. But a private meeting between the two of them, prior to Peres' trip to the United States, was certainly not too pleasant for Peres.

The Begin Syndrome

In public Weizmann tries not to stretch things too far. But he does not hide his inner struggle. "Within 2 months I should know what I am planning to do and where I stand," he keeps repeating. He set himself the date of 1 January 86 as his target date.

What will happen then?

"Leave me alone," he answers.

What is bothering 'Ezer?

It can be concluded from what he has been saying recently that he is afraid that his friend Peres is developing a "Begin Syndrome," politically speaking.

When he left the Defense Ministry during the Begin administration he accused Begin of "not properly taking advantage of the peace initiative which he himself oversaw, in order to overturn the political situation which has been accompanying Israel like a dark shadow ever since its establishment."

Weizmann had a lot of hope that Peres would give some impetus to the peace initiative "which was frozen by Begin, thus missing a rare opportunity." Is Weizmann likely to leave the Peres government, too, and accuse Peres in a similar fashion?

Those who are privy to Weizmann's thoughts hear a pessimistic forecast, very pessimistic. He is afraid that another war is imminent. Israel will have to fight Syria, Jordan and Iraq, and also--yes, also--Egypt. He expects about 10,000 tanks to take part in the war and 1,000 fighter planes. The war, as the former personnel commander predicts, will be more bitter than any of its predecessors, and when it is all over, Israel will be exactly where it started.

Who is going to be blamed? Weizmann does not spare his criticism of Egypt, Jordan, and the Palestinians. But, he stresses, Israel is not lily white either. He talks of Begin's five sins, and Peres' sixth. Begin's sins are: the suspension of the autonomy talks after signing the Camp David accords, the annexation of the Golan Heights, the bombing of the Iraqi nuclear reactor, the Jerusalem Law, and the Lebanese War. Peres added one more sin--the bombing in Tunisia. According to Weizmann there was no debate on the political repercussions of such a raid.

To be quite fair, Weizmann does not suggest a total capitulation to terror. But, according to him, the struggle against terrorism should employ more sophisticated methods. The reaction in Tunisia, as far as he is concerned, is tantamount to killing a fly with a 50 lb hammer, whereas it can be caught in a much more sophisticated and efficient manner.

What angers Weizmann most is what he considers to be an attempt to suspend the peace process, while raising the issue of terrorism. Terrorism, after all, tries to destroy this process, he maintains. Therefore political efforts should only be intensified in view of terrorism.

The Eternal Adversaries

Avraham Tamir, director general of the prime minister's office, a central figure in Weizmann's Yahad movement and a personal friend, claimed recently: "The United States has proven that it, too, works to destroy terrorism. But the American concept is that a political process has to be developed, which will overcome the escalation of violence that the terrorists would have.

The political-defensive line--as far as the Labor Party is concerned--is the responsibility of the prime minister and the defense minister. There is a school which maintains that the bombing in Tunisia releave the hawks' pressure on Peres and Rabin. They have always demanded hitting the terrorists hard. Now Peres and Rabin can continue with the political process. There is some satisfaction within the Labor Party that Peres and Rabin, the traditional arch enemies, are now cooperating.

Weizmann, on the other hand, does not trust Rabin, and their relationship is cool. Rabin is the one who proposed to the inner cabinet the bombing of the PLO headquarters in Tunisia and preferred it to other options that were

proposed." Peres supported Rabin, which only served to increase Weizmann's suspicion that Peres will be sweptaway by Rabin.

Weizmann's candid pronouncements against the bombing in Tunisia--although he knew they would not increase his popularity--increased respect and sympathy for him among the dovish members of the Labor Party. Even before that there were rumors that he ought to be offered the leadership of that camp. MK Aharon Har'el, one of the doves' leaders within the Labor Party, disclosed this fact a few days ago. According to him some noncommittal talks had already been held.

"No one talked to me about it," says Weizmann. He, personally is angry that the title "dove" was attached to him. Recently he argued as follows: "Peres and Rabin, who come from the labor movement, are like Likud people, while I, who came from Likud, am today representing the historical MAPAI, the same MAPAI that along with defensive activism also tried to explore other ways. He prefers the title "The Peace Hawk."

The Red Flag

MK Hayim Rimon, the youngest Labor Party MK and one of the leaders of the Central Ideological Club, to which most of the doves belong, talks very warmly about Weizmann. He confirmed that, informally, Weizmann can be considered the chief spokesman of the dovish camp. True, he is not their leader in the common sense of the word, he is not involved in administration and does not appear in rallies, but Weizmann has the most senior position in the decision making process of the Labor Party, given that his opinions are closest to those of the party's doves. At the same time Weizmann is not even a Labor Party member. He heads Yahad, which is now in the midst of very complicated negotiations on how it is to be absorbed within the party.

The camp's members number Abba Eban, Ora Namir, Rabbi Menahem Hakohen, Aharon Har'el, Nava Arad, Shevah Weiss, David Liba'i, Hayim Rimon and 'Abd-al-Wahab Darusha. It is commonly assumed that 'Uzi Bar'am (general secretary of the party) and 'Adi Amora'i (deputy finance minister) share views with this camp, although, because of their positions, they cannot be active members in it.

The Ideological Club is expected to renew its regular activities within a few days. Its members will examine, among others, whether the government's political activities are in line with the party's platform. Says MK Ora Namir: "All we want is that there will not be any movement further to the right than what is written in the platform."

Namir and other doves have not voiced any public opposition to the Tunisia bombing. But they say that "we cannot lose our sanity." Israel has to examine the benefit of reactions which do not resolve anything, but contribute to the escalation of terrorism, and may even bring about a war. In other words, a similar tune to that voiced by Weizmann.

Theoretically there is good reason for joining forces between Weizmann and the party's doves. But there remains a problem: A party is not established based on a defense outlook alone. A party is a mosaic of political, social,

economic, and cultural viewpoints. "Weizmann is problematic on social issues," said MK Mikha Harish, chairman of the committee preparing the Labor Party platform for its upcoming convention.

Weizmann did indeed declare that his is not the red flag. On the other hand, some ask, what is the difference between Weizmann's lifestyle, a businessman, and the lifestyles of other famous, respected leaders of the Labor Party such as Abba Eban, Hayim Tzadok or Moshe Sahal?

The Silver Platter

Yahad's platform is completely different, on social and economic issues, from that of the Labor Party. Yet, it can be assumed, that within a short time a formula may be found, to integrate Yahad into the Labor Party. The general secretary of the party, 'Uzi Bar'am, wants a total fusion. He does not want Yahad to join as a group, but, rather, he would like its members to become Labor Party members in the true sense of the word.

Theoretically Weizmann should be devoting all his energies to this issue. But it does not seem to concern him. All his attention is given to the political developments. He gave himself 2 months in which to make up his mind.

And if there is no movement in the political process within 2 months? Let us assume that the rotation will take place, and then--as Weizmann predicts-- the peace process will freeze altogether. Will he resign and go back to Caesaria?

Weizmann proved in the past that he is not attached to his position. In May 1980 he resigned as defense minister, in the midst of bitter disagreements with Begin. He thus gave up a real chance to become Herut's leader--and a prime minister--which was about to be served to him on a silver platter. There were those who considered this a sign of a decent, honest human being. Others reacted contemptuously: He is no politician and he lacks patience, the basic quality a successful politician must possess.

It is difficult to know what Weizmann will do this time. He is unpredictable: easy to get angry, easy to appease. Will he burst out? Will Peres know how to appease him? What is clear is that 'Ezer climbed a tall tree. It is hard to tell whether he can come down without having his prestige impaired, or whether, for 'Ezer, it is not even a tall tree.

[Box on p 5] Yahad [together] or Separately?

Yahad this week initiated a move intended to pressure the Labor Party leadership to conclude the negotiations on ties between the two parties.

It should be pointed out that Weizmann, in deciding to support Peres' candidacy for prime minister, created the political constellation which precluded a coalition headed by Likud. There is no doubt that Weizmann personally preferred Peres over Yitzhaq Shamir. But he did not do that without a reward: His support of Peres was accompanied by a secred five section agreement between Labor and Yahad.

Weizmann was promised that he would be appointed foreign minister or finance minister (as he chose); MK Binyamin Ben-Eli'ezer (Fu'ad) was to be a deputy minister in one of the more important ministries; Yahad was also promised representation in the diplomatic corps and in government firms; likewise, Avraham Tamir was to be appointed national security adviser. He was to oversee the activities of the national security council which was to be established and was to report directly to Weizmann.

The national unity coalition precluded Weizmann from becoming either foreign minister or finance minister. It was therefore agreed that he would become minister without portfolio, with responsibilities over the national security adviser and the adviser on Arab affairs.

As far as Weizmann personally is concerned, the agreement was carried out, for the most part. The adviser on Arab affairs reports to him; he is a member of the political-defense inner cabinet, he is member of the ministerial economic committee, the prime minister's door is open to him and he also carries out special duties as assigned by the prime miniser.

But other parts of the agreement have not been carried out. Avraham Tamir is director general of the prime minister office, but he is not national security adviser, and there is no national security council. Tamir does not hide his dissatisfaction with the job. Apparently he feels that he has the ability to contribute and to do more than he is allowed to. Yahad people have not been appointed to positions in the diplomatic corps, neither have they been appointed to managerial positions in government owned firms. Fu'ad is not a deputy minister. The possibility of appointing Yahad member Maj Gen (Reserves) Moti Hod as CEO of Aerospace Industry has not been considered.

Yet, there are signs that the Labor Party is willing to go toward Yahad. Accountant Gad Pnini, general secretary of Yahad, who has ambitions for a political career, said this week that he heard from 'Uzi Bar'am that he (Bar'am) agreed with the general secretary of the Histadrut, Isra'el Qeysar, that Yahad would receive an appointment to the Histadrut central committee, to be elected soon. In the meantime Yahad is represented in the local council committee. It can be assumed that the Labor Party would like to absorb Yahad with a promise to put Weizmann among the first five names heading Labor's Knesset candidates, and also to reserve two more realistic spots for his people. The biggest question is, will Yahad's leader, 'Ezer Weizmann, agree to be absorbed by the giant that Labor is, or will he decide, within the next 2 months, to take an independent road again?

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LEBANON

SON OF FORMER PRESIDENT CALLS FOR ELECTIONS, TIES WITH SYRIA

London AL-HAWADITH in Arabic 11 Oct 85 pp 15, 16

[Interview with Dani Sham'un by Sharbal Zughayyib: "The People Must Elect the President"]

[Text] The new National Liberal Party chairman, Eng Dani Sham'un, lets no occasion go by without asserting that there is no scope for a solution to the Lebanese crisis except through a common discussion among the Lebanese and their agreement to a formula for coexistence.

He says that the rights of a specific faction may not be given permanent legitimacy at the expense of other factions and that comprehensive secularism is the sole radical solution to all the problems the Lebanese people are suffering from.

In a conversation with him, Dani Sham'un stressed that he would adopt what he had learned from his father during the stage he embarked on politics. In any event, "Chairman Dani" added, "I am the chairman of the party, the party people are on my side, and all of us in the party will safeguard the sacrifices [former] President Sham'un has made. The whole party will succeed its chairman via the policy he has pursued for 50 years."

AL-HAWADITH: There has been much noise about the recent Samar Jubayl meeting, for it and against it. You personally took part in this meeting; in your opinion, is it possible, through the former presidents, to get the Christians to speak in unity, regardless of the military's view on this subject?

Dani Sham'un: The Samar Jubayl declaration was clear. If we want to bring about a common discussion among the Lebanese, this war will end, and the politicians will undertake this. When preparation for the second Samar Jubayl meeting, which arose from the first step generated by the three presidents, each of whom led this country for 6 years, was completed, I believe that they have the confidence of the people in Lebanon, since the solution could set forth from their experience and their exercise of rule, and this solution could bring all the Lebanese together.

This step could at least constitute the consolidation of Christian ranks, to offer a unified vision concerning the broad steps of the Lebanese reconciliation which will encourage the other factions and parties to take part in common discourse among the Lebanese and end the ordeal in whose shadow we are living.

AL-HAWADITH: Would it be possible for the Christians to come up with a single, unified, comprehensive working paper concerning all the issues that have been raised on the Lebanese stage? What if armed Christian elements are against such a paper?

Dani Sham'un: I have not considered that armed Christian elements would be against such a paper. This impression might prevail among some people, but we at Samar Jubayl did not have this impression. More than that, the Lebanese Forces, along with [former] President Franjiyah, helped endorse the paper we declared. We, as the Liberal Party, have also said that President Franjiyah's program may be the basis for the success of any common discussion among the Lebanese.

There is no doubt that the committee which was formed in Samar Jubayl, whose members' names have not been announced, will contact everyone, away from the media and the uproar, and will essentially take into consideration President Franjiyah's statement and the sum total of the ideological premises which have been declared, to prepare for a common denominator to be arrived at among all the Lebanese and for this common denominator to be submitted to the three presidents for presentation to the Lebanese people.

AL-HAWADITH: Do you believe that this committee will arrive at such a common denominator?

Dani Sham'un: Of course, without a doubt, because there is indeed a common denominator for coexistence among the Lebanese and a meeting among Lebanese must occur, because there will be no scope for ending the Lebanese war except through frank talk among the Lebanese in the context of the Lebanese themselves, alone, on Lebanese territory. Otherwise, there will be no end to the war.

AL-HAWADITH: Will all the Christian parties and influential figures attend the national Christian meeting it is proposed will be held in al-Diman?

Dani Sham'un: There is no doubt that everyone will attend it. Otherwise, we will in essence be deceiving ourselves. The three presidents may consider it appropriate to confine it to the deputies, the present and past ministers and some other influential figures. We are full of confidence that the three presidents will act only in the interests of the Christian citizens and the Lebanese citizens in general. We will act with all our strength and effort so that this meeting may occur, in al-Diman or any other place that can accommodate the number that will attend this meeting.

AL-HAWADITH: Might Bakraki be a headquarters for such a meeting?

Dani Sham'un: Absolutely not. Bakraki has not been proposed as a site for the meeting.

AL-HAWADITH: I mean, is there a veto on Bakraki on anyone's part?

Dani Sham'un: Bakraki has not been proposed.

AL-HAWADITH: What if President Franjiyah insists on refusing to meet with any Phalange official, as part of any general meeting?

Dani Sham'un: President Franjiyah met with the vice chairman of the Phalange Party.

AL-HAWADITH: But in a personal capacity, as President Franjiyah himself said.

Dani Sham'un: But he is still the vice chairman of the Phalange Party, and in addition President Franjiyah has met with Ili Hubayqah, who is a Phalangist and commander of the Lebanese Forces, which consists of the Phalange Party for the most part. I believe that the veto you are talking about does not exist, while realizing that there are some reservations about some people in President Franjiyah's mind. We understand and appreciate these reservations. President Franjiyah has declared his readiness to turn over all the leaves of the past and meet with all Lebanese for the sake of resolving the Lebanese issue.

AL-HAWADITH: After this meeting is held, if it is held, there is a recommendation that a comprehensive Christian-Islamic meeting be held. Where will this conference be held and will you attend it if it is decided to hold it in Damascus?

Dani Sham'un: After the Christian national meeting, all Lebanese factions and parties, including politicial parties which have no factional character, will be summoned in order to meet and discuss the vision the Christian national meeting will have produced. I hope that this meeting will be held in Lebanon, so that all parties will have the freedom to move and speak frankly without supervision from above.

AL-HAWADITH: Does this mean that you will refuse to go to Damascus?

Dani Sham'un: I have not refused to go to Damascus; rather, if this a matter of compulsion, will help to solve the Lebanese issue and the Lebanese government has considered it appropriate that this sort of meeting should be held in Syria, we are prepared to go since we are a Lebanese party and go abroad only by the agreement of the Lebanese government.

AL-HAWADITH: Does Dani Sham'un have the personal intention of going to Damascus?

Dani Sham'un: At the present time I have no thought of going to Damascus.

AL-HAWADITH: There has been emphasis on the issue of the three chief offices, particularly the presidency. What is the Liberal Party's position on the issue of giving it permanent legitimacy or not doing so?

Dani Sham'un: The Liberal Party has a basic opinion, considering that secularism constitutes the firm solution to the Lebanese issue, though factionalism, and factional fear, still exist in the atmosphere, and all the action in the past gave factionalism permanent legitimacy, provided that we proceed with a regime which guarantees the rights of the factions in Lebanon, the absence of transgressions by specific factions against other ones, respect for the articles of the constitution and the refusal to exploit government positions to suppress a specific faction. The 1943 document was an act of deception against the constitution, since it suspended many articles in it. Of these articles, the most conspicuous were those which stipulated the establishment of the supreme court, which would have the effect of trying presidents, ministers, deputies or government officials for violating the provisions of the constitution and the laws.

The fact is that high positions do not guarantee factions' rights, and this war has proved that no president can guarantee the rights of his own faction. If some guarantees have to be given, that will be through the application of justice, which in reality is the greatest guarantee for everyone, and traditional usage shoulld not be turned into a means for realizing personal objectives.

If the process of giving permanent legitimacy to the chief offices will put a limit to problems, there is nothing against that. However, conversely, guarantees must be given to more than the three factions, because there are six large factions in addition to others, although they are minorities. Frankly, there are Druze demands and it is not possible to solve the Lebanese crisis without taking them into consideration. There are Greek Catholic and Orthodox demands, and unless these are realized it will not be possible to reach a solution. Therefore we must all meet and speak frankly about all chief offices, high positions and jobs.

AL-HAWADITH: The principle of eliminating commitments to religious sects in high positions has been proposed, that is, the presidency should continue to belong to the Christians in exchange for which the chairmanship of the assembly and the premiership should go to Moslems. Is this recommendation practical, in your opinion?

Dani Sham'un: All these recommendations will be up in the air unless everyone meets and discusses things frankly and seriously. They might conclude that this recommendation, or others which have also been proposed, should be applied. One should bear in mind that we believe that only comprehensive secularism as a system for solving all political and social problems will be suitable for Lebanon with its current comprehensive society.

AL-HAWADITH: Some people say that it is possible for the Moslems to accept the permanent legitimacy of having the presidency belong to the Christians, and even the Maronites, in exchange, however, for having the president elected by the people. Are you in favor of this recommendation?

Dani Sham'un: Ultimately, we must obtain the approval of the principle of having the people elect the president, since the president at present proceeds with the support of the deputies, not the support of the people. If he

is elected through the people, his conduct will change. However, this must be part of the comprehensive solution and part of the development Lebanese society will go through.

AL-HAWALITH: Some people say that the people uprooted from the mountains will return only through the auspices of Syria. Do you believe that it will be able to bring them back?

Dani Sham'un: The uprooted persons, all the uprooted persons, can go back to their homes only with the approval of all the Lebanese groups. When we reach a comprehensive reconciliation and solve the pending political problems, all the uprooted persons will go back to their homes, because coexistence among the Lebanese is essential and will be easy to achieve.

AL-HAWADITH: How would you evaluate your relations with Minister Walid Jumblatt at present?

Dani Sham'un: There is a personal friendship which binds me to Walid Jumblatt. We are all working to preserve this relationship, bearing in mind that we differ over some political matters since we belong to two parties, one socialist, the other liberal. We hope to solve some pending matters through our friendship.

AL-HAWADITH: Are there contacts?

Dani Sham'un: Of course contacts between us have not been cut off. There is an agreement to maintain these contacts and hold discussions in a manner which will be beneficial for all the Lebanese people.

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AMAL, PALESTINIAN OFFICIALS DISCUSS CONTINUED FRICTION

London AL-TADAMUN in Arabic 19 Oct 85 pp 23-25

[Article: "Accusations Exchanged Between Amal and the Palestinians--War on Paper, Fighting on the Ground"]

[Text] The war of opinions and positions between the Shiite Amal movement and the Palestinian fighters in Beirut and its suburbs is no less dangerous than the reckless war of bombs, artillery, rockets, and bullets that is mowing down the innocent, shattering their lives and sweeping away their livelihoods and property. Each faction holds to its opinion and considers the other faction to be in error. Each looks at reality from its own political ideological perspective and from the angle of its many-sided interests and connections.

However, the war of opinions and positions remains much better than massacres. Barricades on paper are more encouraging to dialogue and discussion than street and district barricades behind which lurk the tools of destruction, devastation, and death.

From this point of departure, AL-TADAMUN conducted a debate between the two sides. Each side resolutely held on to its verbal positions and tried to defend them, attempting to justify what its military positions were inflicting on the other side.

What does each faction say when it hides behind these positions?

The first accusation that the Palestinians aim at Amal is that it is striving to liquidate the Palestinian military and civilian presence in Lebanon by forcing the largest number of Palestinians to depart from Lebanese territory.

Concerning this, Haytham Jum'ah, a lawyer and member of the Amal movement's political office and of the coordination committee for the camps, said: "I do not want to answer that accusation, because our position is clear and well defined. We are constantly the target of contradictory campaigns and unfair attacks. We have given martyrs for the liberation of the south. The struggle of the Lebanese national resistance still continues and will continue. In our opinion, the liberation of the south gives us hope and strengthens us so that we shall soon reach Palestine."

He added: "The accusation that we are liquidating the Palestinian presence is a Zionist accusation. One must ascribe the accusation in question to the fact that we fought against Israel. The accusation is a cornerstone in the conspiracy that seeks to create a collision between the Shiites and the Palestinians. Shiite Muslims are the population of southern Lebanon, adjacent to Palestine, and they are the residents of the southern suburb, adjacent to the Palestinians (i.e., to the camps). Shiite Muslims are the people who took the Palestinian revolutionaries and refugees to their hearts and who, alone in Lebanon, bore the blows and savage operations of Israel with patience, steadfastness, and dedication without the sympathy of anyone."

"Shiite Muslims are the people of the southern suburb who lost everything they owned for the sake of Palestine and its people. Are the accusations heaped on them by intriguers, hypocrites, and sowers of discord to be believed? We will keep the Palestinians in our hearts and minds. They are our people. We shall look away from inflammatory and contentious words. The cohesion between the Amal movement and the Palestinian people will be the firmly knit row of bricks that alarms the foe and challenges the active forces of the entire world."

[Question] But the Palestinians say that the Amal movement prevents them from carrying out commando operations from the south of Lebanon, where Amal is the only political and military force in the area. What is your reply?

[Answer] The Amal movement believes that the recovery of Palestine and its liberation from Zionist filth are a legal obligation incumbent on all. Amal has given the blood of its sons and its people for the sake of this. To say that Amal is preventing the Palestinians from fighting Israel is untrue. It is just like the story that we want to do away with or move the Palestinian camps. It is talk that comes out of the misleading and destructive media. These media have lost all moral principles and Islamic and patriotic concerns, and they transgress human ethics. We shall not allow anyone to view with us or accuse us, especially because it is we who have carried the sacred torch and repelled Israel. We have given all victims of injustice a lesson and an example. We stress that the responsibility for freeing the Holy Land is our duty. In shirking that responsibility would lie our end. We shall remain bearers of the standard of return, liberation, and freedom.

[Question] But there are some who accuse the Amal leadership of not being able to control all the elements of the movement. They say that if the leadership makes a decision, that does not necessarily mean that it finds its way to implementation.

[Answer] In Amal, the structure is over everyone. The incidents that sometimes occur are merely a reaction to an attack made by others on Amal elements. The reality is that uncontrolled elements are not allowed to remain in our movement of believers, nor are we allowed to use the presence of such elements as an excuse. When we make a commitment, we support our commitments. We shall not be turned away from them by all the campaigns of intrigue and lies. Rather, we shall act to confront the enormous dangers that threaten the fatherland, with the danger of the Israeli enemy in the forefront of them.

It is not true that there are conflicts or differences within the movement. The presence of a number of points of view absolutely does not mean conflict or dissent.

Amal is absolutely not sectarian. It does not start from premises based on class, school of law [within Islam], or confession. Anyone who reads our political and intellectual principles and premises will become convinced of this.

[Question] (Turning to the Palestinian representative) What, on the other hand, are the responses of the Palestinian side to the accusations aimed at it--for example, that the Palestinians intentionally smuggle weapons into their camps in order to get into armed clashes against Amal and the armed forces of the legitimate government, with the aim of providing their own security and rejecting the security provided by the legitimate Lebanese government?

[Answer] (Hatim Ka'ush, chief secretary of the al-Sa'iqah organization in Lebanon and member of the Palestinian Salvation Front and of the Camp Security Coordinating Committee in Beirut, speaking on this point) It is absolutely untrue that the Palestinians are smuggling weapons into the camps. The weapons there were in the hands of our people before the Israeli sweep into Lebanon in 1982. There are no "serious" weapons there--I mean that the weapons present are only personal weapons. The people of the camps have been able to keep these weapons in the past. They are used only in cases of self-defense and in emergencies.

(Salah Salah, member of the PFLP political office and of the Camp Security Coordinating Committee in Beirut, speaking on the above accusation) Without a doubt, anyone who follows the circumstances through which the Palestinians have passed, whether at the time of the Israeli occupation or during the other repressive actions toward our people, will see immediately and with absolute objectivity the size of the dangers threatening them and consequently forcing them to live in a state of fear and anxiety for themselves and their future. This explains their eagerness to obtain weapons to assure their self-defense. These are light weapons. The signers of the Damascus Agreement that ended the "war of the camps" therefore agreed to the right of the Palestinians to acquire light weapons. As long as this right is included in the agreement, bringing such weapons into the camps is not smuggling. However, in accordance with the same agreement I can state definitely that the Palestinians in the camps do not possess medium and heavy weapons and are not working to bring them or "smuggle" them into the camps.

(Ka'ush, speaking about the second accusation directed at segments of the Palestinian resistance, that these segments cooperated in the past and are still cooperating with intelligence agencies in order to strike at and restrain the Lebanese national and Islamic forces and that they do not conduct operations against Israel) Such talk is absolutely untrue. Those who say such things try to link them to another statement: that the Palestinians have stopped their commando operations against the Zionist enemy. The latter is also untrue. The heroic deeds done by our people in all the occupied lands

in Palestine since 1948--throwing stones, stabbing with knives, kidnapping enemy soldiers and officers, and other acts of resistance in every way and by every means available--form an irrefutable reply to such a distortion of facts and realities. In Lebanon, however, we have been in a state of self-defense since 1975.

(Salah, speaking about the same accusation) It is impossible for the Palestinians to be in the position of opposing or conspiring against the Lebanese national and Islamic forces, especially since they believe that they must work to abort, refute, and thwart any conspiracy against these forces, and vice versa. Such being the case, how can they be conspiring against these forces? If, one the other hand, there is anyone among the Palestinians conspiring or participating in conspiracies devised against the Lebanese national and Islamic forces, that does not mean that all the Palestinians are involved in it.

(Salah Salah, commenting on the other half of the accusation, that segments of the resistance have stopped their commando operations against the Israeli enemy) The examples of heroic actions involving martyrdom that take place within the occupied territory in Palestine refute the accusation. That is the first launching point for the Palestinian revolution. The second launching point is across the Arab borders, which have unfortunately been closed in the face of the Palestinian armed struggle. The last of them was the Palestinian revolution's launching point from southern Lebanon, which was closed after the 1982 Israeli sweep. The truth is that after that date we came to be in a new situation and in new circumstances that prevented us from continuing to fight the Israeli enemy across the south. But I say with confidence that there is a new opportunity before us for resuming the struggle, and more fiercely than before, against the Israeli enemy--provided that one condition is met: that the Palestinian national forces and the Lebanese national forces translate their unified outlook and the shared evaluation of the Zionist danger aimed at Lebanon as it was aimed at Palestine, and that they turn this shared outlook into true cohesion between Palestinian and Lebanese guns in confronting the Israeli enemy who raped Palestine and is still raping the south of Lebanon.

[Question] You are accused of seeking to set up "autonomous security" for the Palestinian camps, separated from the forces of the legitimate Lebanese government, thus violating the 1969 Cairo Agreement (which many consider canceled by virtue of the changed circumstances between that time and the sweep of the summer of 1982). What is your reply?

[Answer] (Ka'ush speaking) We are for the legitimate Lebanese government always and at every moment, but our basic stipulation is that this legitimate government not be a roadblock trying to prevent our people from liberating Palestine. Talk about our trying to realize "autonomous security" is talk that should be rejected and refuted. It should not be repeated. It is inappropriate and objectionable, especially in the period after the 1982 Zionist sweep. Consequently, accusations against us in this direction should not continue. The reality in the Lebanese arena does not indicate that there is a single group, however small, that abides by the legitimate government. How,

then, do people ask us to put into practice what they themselves basically do not put into practice?

Nevertheless, we absolutely do not want to return to a situation of what is called, among other names, "autonomous security"--provided that these slogans not be exploited in order to slaughter our people and induce them to leave.

[Question] There is, however, another accusation that speaks of the insistence of the Palestinians in Lebanon on returning to the climate that existed before the 1982 Israeli sweep. To what extent might this accusation or supposition be correct?

[Answer] (Ka'ush speaking) After the 1982 sweep, we embarked upon a study and evaluation of all the circumstances and conditions that prevailed before it. We made clear and final decisions about there being absolutely no return to what had been before 1982. If there is anyone who bandies slogans and accusations, aiming them at us and believing them himself, we are not responsible for such a case.

(Salah Salah, continuing) There were two sides to the pre-summer-1982 formula. The first was positive. It embodied the importance of the Lebanese national and Palestinian national alliance. Secondly, it embodied the idea of armed struggle as a decisive way to confront the Israeli enemy. Third, experience has proved, particularly during the siege of Beirut, that the conscious armed masses, when they have at their head bold leaders who are resolute in their political decision, can achieve victories against foes hundreds of times superior to them in equipment and ammunition. This is what explains the steadfastness of the Palestinian revolution, united with the Lebanese national forces, in confronting the siege for such a long time, so that it was said, justly, that this was Israel's longest war against the Arabs.

But there were negative sides to the pre-1982 formula. For example, the formula for the Palestinian-Lebanese national relationship was not sound. Certain influential leaders in the PLO controlled the Palestinian decision and contained the Lebanese national decision. Another negative aspect of the old formula (pre-1982) was the great number of violations and offenses committed by the Palestinian revolution against Lebanese citizens who had embraced that revolution and defended it with their money and blood. We rejected and still reject this negative side of the old, pre-1982 formula. Now we reject it even more. One must therefore not confuse the positive aspects of the Palestinian revolution before 1982 and its negative ones. A responsible and conscious logical evaluation will hold to the positive aspects and eliminate the negative ones.

[Editor] Here ends the indirect "debate" between Amal and the Palestinians. It is merely "a war on paper," but it nonetheless holds within itself the seeds of dangerous events that have spilled the blood of many innocent Lebanese and Palestinians in the camps of Beirut and vicinity and that threaten to spill more blood if an end is not made to the war, both on the ground and on paper.

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LEBANON

ABROGATION OF OIL PRODUCTS SUBSIDY DEBATED

London AL-TADAMUN in Arabic 5 Oct 85 p 28

[Article: "With the Exacerbation of the Deficit and the Smuggling of Fuel, The Government Is Studying Abrogation of the Oil Products Subsidy"]

[Text] The Lebanese minister of finance, Camille Chamoun, has given a warning in which he referred to the serious exacerbation of the deficit in the independent fuel fund resulting from the government's continued subsidization of various oil products. Minister Chamoun, who in his presentation threatened to abstain from paying oil import invoices starting this September if the government did not take the initiative of abrogating subsidies, stated that the continuation of the subsidies will increase the tremendous treasury deficit. This will force it into further borrowing through treasury bonds and loans, along with which the figure of the public debt and the high interest on it will rise, and this will as a consequence have the effect of resulting in a deterioration in Lebanese currency.

As soon as the minister of finance declared his position on the subject of fuel subsidies, the minister of industry and oil, Victor Qusayr, hastened to support his colleague and join forces with him in appealing for the abrogation of subsidies and adoption of an initiative to work to raise fuel prices in a manner in keeping with cost, while adding a reasonable, moderate surcharge to these prices which will make it possible to cover the loss and gradually eliminate the accumulated deficit in the independent fuel fund, which today comes to about 10 billion Lebanese pounds. However, Minister Qusayr, though he has absolute authority with respect to increasing fuel prices, declared his refusal to bear the responsibility for this step alone, demanding political cover from the government as a whole, that is, having the decree on the increase come through the cabinet.

The file on oil in Lebanon has been opened on more than one occasion this year in light of the difficult situation the Lebanese treasury is suffering from, embodied in a deficit which by the end of this year is estimated to come to more than 8 billion Lebanese pounds. Some national reconciliation cabinet ministers consider that fuel subsidies have been one of the most important causes of this deficit, especially now that Lebanon has come to rely on oil products imports to cover domestic oil consumption, whereas the

oil situation had been based on the importation of crude oil and fuel by sea to the refining and storage centers in Tripoli, al-Zahrani and al-Dawrah. The domestic market had been supplied by oil products via the Tripoli and al-Zahrani refineries and the shortfall was covered by imports, but the situation changed completely as a result of the repeated shifting cycles of violence in Lebanon, which led more than once to the suspension of operations in the refineries and turned reliance on the importation of oil products into the basic recourse for covering the need of the local market. As a result of Lebanon's conversion from a country importing crude oil and processing oil products to a country importing the products themselves, the value of oil invoices rose alarmingly starting last year, 1984, coming to US $512,668,000, that is, the equivalent of about 4 billion Lebanese pounds (the price of a dollar in the Beirut market in 1984 was 650 piasters). However, the rise in the price of the dollar early in 1985 threw out all bases for comparison and doubled the value of the oil bill, and consequently the deficit arising in the independent fuel fund. The 1985 dollar was 17 to 18 Lebanese pounds, not 650 piasters, which meant that the value of the oil bill which Lebanon paid in 1984 (about 4 billion pounds) will at the end of this year, on the basis of the same level of imports that prevailed in 1984, come to about 9 billion Lebanese pounds, and thus the treasury's loss through the importation of oil products at the end of this year will be about 5 billion pounds, and more.

Some cabinet members, including the minister of finance and the minister of industry and oil, consider that it has no been longer permissible to continue to make the treasury pay for such a deficit through the government's continued subsidization of fuel, especially since the conditions of the treasury have not been encouraging, as a consequence of general financial and economic conditions in the country, and that the government's continuation of the policy of fuel subsidization will ultimately lead to the bankruptcy of the government -- all the more so since the subsidies the treasury grants consumers, resulting in the great differentials between the high price and the low sales price, are now unjustified, because subsidized fuel is smuggled out of the country in every way because of the vast difference between the low sales price in Lebanon and the high sales price abroad (the price of a can of gasoline in Lebanon is 44 pounds while its price in Israel, for example, is 220 pounds), making the volumes required by the country's consumption much lower than those that are imported. In addition, the government's continued sale of fuel at a low price, below true cost, has caused Lebanese drivers to keep moving about frequently without purpose, in view of the low price of liquid fuels, all at the expense of the treasury.

On this subject Finance Minister Camille Chamoun said, "The Lebanese budget, in the context of the actual state of the current oil market in Lebanon, is now paying the price of oil products for people who are not Lebanese." Minister Chamoun added, "The continued subsidization will increase the tremendous treasury deficit in a manner which will compel it to borrow further, through treasury bonds and loans, and the figure of the public debt and its high interest will thus increase, along with the deterioration in Lebanese currency and the reiterated gyrating in a frightening vicious circle that will consequently in effect produce."

Minister Chamoun summed up by saying "Zero hour has begun to approach, as we continue to refrain from facing an economic, financial and monetary problem which in terms of importance and gravity is greater than the security and political problems."

Matching the extreme enthusiasm Minister Chamoun expresses in demanding the abrogation of subsidies and 100 percent increases in product prices, and matching the great support the minister of finance's position is receiving from the minister of industry and oil, Victor Qusayr, some members of the cabinet and union boards still express reservations, though to differing degrees, on ways of dealing with the financial and monetary crisis arising from the continued subsidization of oil product prices. Some ministers support the notion of removing subsidies but do not consider that the present time is suitable for such a step. Some people in the cabinet who have reservations on carrying out the elimination of subsidies and increasing prices stipulate a prior undertaking by the government calling for the major portion of the financial savings which will revert to the treasury through the elimination of the subsidy policy to be handed over to social, development and housing projects in order to satisfy the working class and people with limited incomes, before such a step is initiated.

In spite of all the positions of support and opposition regarding the issue of the abrogation of subsidies, the government apparently insists on ridding itself of the burden of subsidies and increasing the prices of various oil products in order to parry the threat of bankruptcy in the treasury, especially since it is not expected that the government will in the foreseeable future be able to improve its tax collecting situation in order to strengthen the state of the treasury. Therefore the only solution available to the government today to avoid the collapse of the treasury's condition is in abrogating subsidies and conversely it is up to the citizen, on whom the consequences of the increase in fuel prices will be reflected, to prepare to bear further living expenses while waiting for the final solution to the Lebanese crisis, along with which the financial and economic solution in the country will come about.

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CSO: 4404/126

FLIGHT OF BUSINESSMEN CONTINUES

London AL-TADAMUN in Arabic 19 Oct 85 p 28

[Article: "Flight of Businessmen Has Become Irreversible After New Worsening of Security Conditions"]

[Text] Political and security pressures on the Lebanese economy continue, pressures which have assumed a distinct and dangerous character in the latter half of the current year in the wake of renewed waves of violence in more than one region of Lebanon as a result of the disturbed political situation arising from the demand by some political parties and armed organizations for radical political reforms in the Lebanese system, while some other partisan groups oppose such reforms. In the opinion of more than one local, regional, and international political source, this has returned the Lebanese crisis to its starting point, since the political and security climate prevailing today is almost completely identical to the situation that existed in 1975-76 in the wake of the outbreak of the Lebanese war.

Some Lebanese bankers who left Lebanon some time ago and established banking or financial company branches in more than one European country--particularly in Paris, Geneva, and Cyprus--say that their flight was temporary in the beginning, since they intended to remain in business in Lebanon in addition to their new operations in Europe and elsewhere; now, however, after following the play of events in the Lebanese war and its negative impact on the general economic situation, their return to Lebanon--at least in the short term--has become unlikely. Based on more than one piece of advice from trustworthy local, regional, and international political friends, they have even begun to think seriously of finally liquidating their operations in Lebanon and of settling abroad.

These men stress that Lebanese political indicators suggest that a political and security solution in Lebanon has become a complex and difficult matter, given the interaction and entanglement of the Lebanese crisis with the regional one, and given, too, its extension into international affairs. Therefore, a decision to settle the Lebanese crisis awaits an American-Soviet accord, and the summit meeting to be held between the American and Soviet presidents will serve to define the course of the Lebanese crisis.

Some Lebanese economic sources think that the prolongation of the Lebanese war and the continued political entanglement among the contending Lebanese

factions make it certain that the crisis will remain unsettled for a long time to come. Lebanese economic sources believe that the Lebanese banking market, which preserved some of its strength throughout the war years, has also begun to witness a large-scale flight abroad in the latter half of this year. More than 10 principal banking branches have been established in Paris, Geneva, and Limassol on the island of Cyprus. Other banking institutions have begun to face major financial difficulties that have required the Central Bank of Lebanon to intervene to keep them afloat. Also, bank deposits have declined noticeably as monetary transfers abroad grow in size to escape the Lebanese pound and the uncertain political situation in the country. Added to all of this, the worsening treasury deficit and the growing national debt are other indications of economic insolvency.

Other banking and financial circles talk about what they describe as "the sorrow" felt by Arab businessmen concerning the state to which the political and economic situation in Lebanon has come. These sources say that many Arab businessmen, especially in the Gulf states, who have investments in Europe and America are encountering great difficulties in multilateral operations. They talk to their Lebanese colleagues abroad about the difficulties they face in their operations. They express sorrow and regret about the state which the situation in Lebanon has reached, and they are waiting impatiently for a return of stability to the country in order to resume their activity. This is especially true now that attacks on Arab businessmen--tourists in particular--have reached a provocative level, in spite of the extreme benefit that the Arabs bring to the countries of Europe through their investments there which exceed hundreds of millions of American dollars. In Lebanon, on the other hand, the Arabs were esteemed and welcomed as businessmen and tourists, and they realized great profits by their investment operations in Lebanon.

In short, the reality of the Lebanese economy--and therefore its future--no longer inspires much confidence. Pessimism, even though such a word is difficult to pronounce, is the reality and the future of this economy. The Lebanese businessman has lost confidence in the political future of his country and in the possibility of ending this destructive war of more than 10 years' duration. And so, businessmen, as many of them explain, can no longer sustain the losses without there being a harbinger of rescue. Are the politicians and armed men in Lebanon aware of the danger of this situation? Will they work toward saving what remains of Lebanon as an economy and a people before it is too late? Or has the opportunity for rescue passed and become an impossibility?

12937/13167
CSO: 4404/131

PORT OF BEIRUT THREATENED WITH CLOSURE

London AL-TADAMUN in Arabic 19 Oct 85 p 29

[Article by Ibrahim 'Awwadah: "'Port of the Arabs' Threatened with Closure Because War Has Exhausted the Port of Beirut and 'Illegal Ports' Have Stolen Its Role"]

[Text] Henri Fir'awn, chairman of the board of directors of the Port of Beirut Management and Investment Company, sent out a warning to the authorities, calling attention to the many and complex difficulties which the port has been enduring since the beginning of the current year, 1985, difficulties embodied in a serious decline in business traffic, so that traffic in the port today represents no more than 18 percent of the traffic in 1975, on the eve of the Lebanese war.

Henri Fir'awn called attention to the fact that it will henceforth be difficult for the port company to pay the salaries of its employees and that in the event deteriorating port conditions are not dealt with, it may be forced very shortly to stop operating and to dismiss all its employees, which would mean that the port itself would cease to operate and that a crushing blow would be aimed at the Lebanese economy, a blow that would increase the economic and social problems from which the country has been suffering for 10 years as a result of the war's repercussions.

What the chairman of the Port of Beirut Company said about the deteriorating situation in one of Lebanon's most important economic facilities, the port of Beirut, surprised none of the economic observers and authorities who see at close range the true facts of the critical operating situation in the port, based on the following indicators:

1. The security situation near the port has become so disturbed that the port of Beirut stopped operating for more than 90 days to date this year. Moreover, the port has been virtually closed since July, following the closing of all the crossing points leading to it and of the crossings between the two Beiruts.

2. International navigation companies have turned away from the port as a result of the unstable security situation, particularly near the port. The international navigation companies that continue to do business with the

port have imposed very high insurance fees on goods arriving or leaving from it.

3. All the Arab importers have turned away from the port of Beirut, compelled by the well-known security conditions in Lebanon generally, and near the port specifically.

4. Import traffic has fallen away from Lebanon generally as a result of the rise in foreign currency prices in relation to the exchange rate of the Lebanese pound.

5. The "illegal ports," which had been closed in the winter of 1983, have started operating again.

The unfavorable security situation in the port of Beirut and the flight of importers and exporters from it encouraged the operators of the "illegal ports" to reopen them in order to absorb the export and import traffic, since these ports, which are scattered along the Lebanese coast, are considered more secure than the port of Beirut.

Also, these ports have proceeded to apply lower customs tariffs than the ones in effect in the port of Beirut. This has encouraged both the importer and the exporter to do business with these ports at the expense of the main international port.

Furthermore, the geographical discontinuity that has arisen between the regions of Lebanon--i.e., the separation of the Lebanese regions from each other--has encouraged the "illegal ports" to resume activity, given the fact that they are located in areas convenient to all the importers and exporters and protected by militias that are basically both cause and effect of the stopping of traffic in the port of Beirut. Thus the suppliers and importers are insured a safe arrival in them, while no one guarantees their safety if they do business with the port of Beirut.

Some people blame the government security agencies for not making an effort to protect the port. They accuse the agencies of indirectly encouraging the "illegal ports."

But the state and its security agencies are of no consequence!

The above negative indicators have had a great impact on business activity and traffic in the port of Beirut: this year to date, the port's traffic has declined to its lowest level since the beginning of the Lebanese war on 13 April 1975.

According to the latest statistics published by the Port of Beirut Administration, the port received 1,073 ships, most of them small, through August of this year, as against 2,800 in 1984.

As for the movement of goods, 1,373,774 metric tons of goods and various commodities were registered through this Ausust, as against 5,373,862 metric tons of various goods through August of 1984.

The "free zone" and "transit" system and the customs system registered traffic no greater than 40 percent of last year's.

In addition to all of this, the decline in port activity has led to a serious decline in customs receipts collected for the treasury through the port. The value of these receipts today amounts to approximately 20 million Lebanese pounds a month; in 1984, it was close to 42 million pounds a month. The decline in port activity has also led to a serious decline in income for the port's management and investment company: the company's receipts dropped to 18 percent of what had been estimated, for a gross of about 2.5 million Lebanese pounds a month. The company had expected the value of receipts to reach 16 million pounds.

Starting from the above negative indicators surrounding the nature of operations in the port of Beirut, one clearly perceives the reality of the difficult situation this important Lebanese economic facility is enduring. It is a situation which, if it persists, will threaten the existence of the port that until the eve of the Lebanese war was considered one of the most important ports in the region, one that functioned as a trade bridge linking the Middle East and the entire world. The port of Beirut served as an axis for the trade of the entire Arab region. As the principal passageway for all goods and commodities imported for the Arab states in general, and for the Gulf states in particular, it received the name of the "port of the Arabs."

After all that has just been said, one must ask whether the port of Beirut will fall, as many important economic facilities in Lebanon have fallen before it, because of the destructive war that has been overwhelming it for approximately 11 years. Furthermore, will Lebanon lose one of the most important components of its economic strength, and will the Arabs consequently lose their principal important gateway? Will a political solution of the Lebanese crisis perhaps take place in the near future, bringing with it the desired successful relief of all of Lebanon's economic problems, including that of the port of Beirut?

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PALESTINIAN AFFAIRS

LAYLA KHALID DISCUSSES AIRPLANE HIJACKINGS

London AL-MAJALLAH in Arabic 4-10 Dec 85 p 15

[Interview with Layla Khalid: "Layla Khalid Tells AL-MAJALLAH, 'I Condemn the Hijacking of Airplanes, but I Do Not Regret My Involvement in Airplane Hijackings'"; in a Palestinian camp in Damascus; date not specified]

[Text] When an airplane is hijacked by Arabs or non-Arabs, the name that comes immediately to one's mind is that of Layla Khalid, the Palestinian guerilla who earned her notoriety for carrying out such operations which rocked the world in the early seventies. Opinions differ about the usefulness of such operations to the Palestinian cause.

AL-MAJALLAH interviewed Mrs Layla Khalid, who is pregnant and awaiting the birth of a child; she lives in a Palestinian camp in Damascus. AL-MAJALLAH asked Layla Khalid what she thought about the tragic outcome of the Egyptian airplane hijacking in Malta's Luqa Airport. We asked her if she thought that outcome was avoidable. We also asked her what she thought about hijacking airplanes in general; about storming hijacked airplanes; and about the new generation of hijackers. The text of the interview follows.

[Question] What do you think about the outcome of the operation to storm the hijacked Egyptian airplane in Malta's Luqa Airport?

[Answer] We think the act of storming the airplane was a form of terrorism quite equal to the hijacking of the airplane and the execution of some of the hostages by the hijackers at the beginning. In fact, we think it may even be more serious because the act of storming the airplane did not solve a problem. Instead, it created a more serious problem than that which it was carried out to solve. I believe that many mistakes were made in handling that hijacking operation, and the evidence for that lies in the fact that the solution turned out to be nothing but a massacre in which 60 people, most of whom were hostages, lost their lives.

[Question] Where do you believe that mistake was made in handling that situation, and could it have been avoided?

[Answer] There is a big difference between dealing with hijackers and dealing with the passengers of an airplane. One cannot treat hijackers and those they

kidnap in the same manner. The hostages who survived this operation said that the troops which stormed the airplane were firing their weapons at random inside the airplane. That is why the outcome was so tragic.

[Question] As someone who took part in hijacking operations in the past, do you support such operations. If you do not support this method, why not?

[Answer] I condemn airplane hijackings that are being carried out at the present time, even if they are being carried out by Palestinian organizations. I condemn them because this method is no longer achieving the objective that we were hoping to achieve when we carried out such actions in the early seventies. Our objective during that period was to use different means to make people know what the Palestinian cause was all about. We wanted to break through the dark cloud of silence that was imposed by the international media on that cause. Now, however, we've stopped those hijacking operations altogether since the Palestinian cause now holds a prominent international position and has gained the international support that we were hoping to gain for the cause of people who have been stripped of their legitimate national rights, people who are fighting to regain those rights.

[Question] It is being said that all hijacking operations are the same whether they are done for a legitimate cause or for no other reason or cause. The lives of innocent people are always threatened in such operations. How would you respond to such a charge?

[Answer] When I took part in an airplane hijacking operation, our objective was not to kill any hostages or blow up any airplanes. The only thing we wanted was publicity for our cause. The evidence for that is that none of the hostages, passengers or crew members was killed. Quite the contrary, it was our comrades who got killed. And our response to the killing of our comrades was greater determination to safeguard the hostages' lives. When we achieved our aim for publicity, we stopped those hijacking operations altogether, and we declared our opposition to them.

[Question] You've criticized the manner in which the hijacking of the Egyptian airplane was handled, and you condemned the operation to storm the airplane, an operation that resulted in a bloody massacre. What do you think would have been an alternative to storming the airplane?

[Answer] I think that negotiations with the hijackers to protect the lives of the hostages should have continued.

[Question] But those who defend the storming of the airplane say that operation became unavoidable after the hijackers began killing the hostages at the rate of one hostage every hour. What would you say to that justification?

[Answer] I believe that even if that were true, the hijackers would not have killed 60 people. I would also add that those who stormed the airplane knew that the hijackers were armed. They knew that when an armed man is attacked, he will defend himself and fire his weapon. Therefore, the outcome of the operation to storm the airplane should have been expected by those who carried it out and by

those who planned it as well. In saying this I do not absolve the hijackers from blame, but I also hold those who stormed the airplane responsible. Information received from the United States stated that those who stormed the airplane made a number of mistakes, such as storming the airplane from the wrong place and using highly explosive bombs. I believe that that operation was stupid and criminal.

[Question] Now that airplane hijacking operations have become operations that end in massacres and the killing of hostages, do you regret that you ever took part in such activity?

[Answer] I do not regret being involved in the airplane hijackings that I was involved in because those operations achieved the objectives for which they were carried out.

[Question] Do you fly?

[Answer] Yes, I do.

[Question] Aren't you afraid that your airplane may be hijacked and that you may become a hostage?

[Answer] If my airplane were hijacked and I became a hostage, then my fate will be like that of all the passengers. There is no strength and no power save in God. What do you want me to do? I'll wait and hope for safety.

[Question] Do you have children?

[Answer] I do. But why are you asking me these questions? Let's stick to the basic subject.

[Question] What do you think would be the alternative to such actions, I mean, the hijackings?

[Answer] The alternative now to operations that are carried out abroad is to focus our attention on escalating the armed Palestinian struggle inside the occupied land. Since these operations that are carried out outside the country are not achieving a specific political objective, they must be abolished. Any Palestinian organization has to direct the struggle inside the occupied land. It has to shift the struggle and move it from foreign countries to inside the occupied land. In other words, the intra-Palestinian struggle and the Palestinian struggle abroad must be moved to the occupied land.

[Question] Now that foreign operations and airplane hijackings have been stopped and the proposed settlement condemned, what is the status of your armed struggle?

[Answer] Our activities in the occupied land are obvious--whether these are military actions or popular uprisings inside the country. Not a single day goes by without some political and military activity taking place. Politically, however, we oppose the proposed settlement and the Amman Agreement.

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PALESTINIAN AFFAIRS

INTERVIEW WITH 'ABD-AL-RAHIM AHMAD

London AL-TADAMUN in Arabic 14 Dec 85 pp 17-18

[Interview with 'Abd-al-Rahim Ahmad: "'Abd-al-Rahim Ahmad, Member of the PLO's Executive Committee Tells AL-TADAMUN, 'These Are Difficult Times. Those Who Left Their Positions Are Being Asked To Return to Them';" date and place of interview not specified]

[Text] Palestinian officials agree that the difficulties which are now being experienced by the Palestinian cause are greater than those it has encountered to date. Guerilla activities can no longer be launched from those Arab countries that are close to occupied Palestine, and the [effort to reach a] peaceful settlement has been deadlocked despite the apparent rapprochement between the distant positions of the parties involved. The Palestine Liberation Organization is being asked to accept Security Council Resolutions 242 and 338 so that it can be asked to participate in international peace talks or in an international conference that may look into the national rights of the Palestinian people and may not reach any conclusions as a result of its deliberations. And the Americans and Israelis have taken action aimed at isolating the organization and stripping it of its distinction as the sole, legitimate representative of the Palestinian people. The aim of the American and Israeli action is to keep the PLO out of the settlement equation and the settlement efforts as well.

Palestinian leaders say they were not involved in the two Security Council resolutions; therefore, the status of these two resolutions does not concern them. Nor are they concerned with them as resolutions independent of others that were issued by the United Nations since 1947. Palestinian leaders do not see on the horizon any guarantees or proposals that could make up for their recognition of these two resolutions. Palestinian leaders are asking Arabs who are devoting their attention to the settlement to understand this matter and to appreciate the organization's nature and makeup. Palestinian leaders are asking Arabs to understand that the PLO is not a state or a stable government and that it is trying to maintain an active, effective and useful role in the political arena without making concessions it does not have to make.

It was in the midst of this difficult stage that Palestinian leaders held meetings in Baghdad that lasted for 6 consecutive days. Three days were devoted to the meetings of the PLO's Executive Committee and Fatah's Central Committee; and the other 3 days were devoted to the meetings of the Palestine Central

Council, which has 75 members. Of those, 69 came to Baghdad for the meeting, and 6 did not attend the meeting for various reasons.

The final communique that was issued after these meetings did not include anything new in the Palestinian position, nor did it reveal any dramatic change in that position. To find out what happened at these meetings and to obtain information about the implications of the final communique, AL-TADAMUN interviewed Mr 'Abd-al-Rahim Ahmad, member of the PLO's Executive Committee. AL-TADAMUN began by asking Mr Ahmad the following question:

[Question] Granted that the Palestinian cause is going through a difficult period, with the countries around Israel making it impossible for military activity against that country to be carried out. The price that Palestinians are being asked to pay is considerable, and the American-Israeli attack has reached its fiercest level. What is the present outlook for Palestinians, and how can that be overcome with the least amount of losses?

[Answer] Military action and the political activity associated with it figured prominently in the meetings that Palestinian leaders held recently in Baghdad. They figured prominently in other PLO organizations as well. Military action is affirmed by everyone, and it is continuously given priority. Palestinian leaders try to discredit a number of excuses and allegations that are made by enemy forces. It is for that reason that they pause every time to evaluate their course and reconsider their steps. Palestinian leaders do that to achieve the best results out of this political activity and out of the military action to which they devote a special effort, especially inside the occupied land. This is the more eloquent response to the conspiracy whose aim is to put an end to the Palestinian cause by American and Israeli means. The conspiracy to end the Palestinian Revolution, which is still being carried out, is now trying to put an end to the organization's political role after failing to put an end to its military role with the invasion of Lebanon. The PLO is aware of that fact, and it is doing everything it can to confront this conspiracy with active political action that manifests itself in establishing a presence on the Arab and international scenes and carrying out effective military action inside our occupied land.

[Question] The Central Council discussed the subject of national unity, and the final communique affirmed the importance of agreement between the Liberation Organization and other factions that withdrew from the organization after the 1983 split. How will those people be persuaded to restore a minimum measure of Palestinian national unity? Is any thought being given to convening a new session of the Palestine National Council that would be attended by the other factions?

[Answer] This is the second session for the Central Council; the first session was held in Tunisia late last March. It was supposed to meet earlier than that, but the changes that occurred on the Palestinian, Arab and international scenes distracted Palestinian leaders and kept them from meeting. Those leaders were engaged in making a series of contacts with Arab and international figures, after which they decided to convene the council in Baghdad to look into all the new developments that had occurred between the council's two sessions. At that

meeting Palestinian leaders presented all the information they had gathered and all the conclusions they had reached. It is known that that meeting was preceded by a meeting of the PLO's Executive Committee, a meeting of Fatah's Central Committee, and a meeting of National Council leaders. At that council meeting all the developments that Palestinian action had faced and was facing were looked into, and a decision was made by Palestinian leaders to refer all matters to the Central Council which would make the necessary recommendations in that regard.

The most important item on the council's agenda was to study the implications and consequences of the Zionist raid on PLO headquarters in Tunisia, particularly with regard to the American-Zionist decision to eliminate PLO leaders by taking advantage of some incidents that would be used to justify a criminal action. In that regard, the American administration used the hijacking of the Italian ship, which had a negative effect on our political struggle in the international community, to carry out the well-known act of piracy against the Egyptian airplane which was carrying the fighters who had been on the Italian vessel. Abu al-'Abbas, member of the Executive Committee, was with those fighters on that airplane. The American administration used that incident to escalate its campaign against the PLO. It branded the PLO a terrorist organization, and it took advantage of some human emotions that we as well as others had about the incident. In that regard the Central Council had made recommendations to ensure the unity of political and military Palestinian action. The council recommended the deployment of both political and military action so that one would help the other.

The Central Council also gave lengthy consideration to the matter of Palestinian unity, and it appealed to those who had been pressed and forced to leave their positions in the PLO. The council appealed to those people to return to their positions so we could all work to strengthen the organization's course and preserve our people's gains. The council requested that the meeting be an open one and that there be no preconditions. To that end a committee was formed; it consisted of independent council members and non-members. That committee was to contact those who had left their positions in Palestinian organizations; it was to try bringing them back to those positions on the basis of the commitment we all have to the resolutions made by the National Council in its successive sessions.

The council also asked the committee that was charged with the task of making those contacts to present the results of its contacts to the Executive Committee, which is supposed to set the time and place for the meeting after finding out what these results are. These results would then be presented to the Central Council at a new session. We hope that these contacts will prove to be fruitful and that fellow Palestinians who left the organization will return to their positions to help defend the organization and its liberty and independence.

[Question] Does this mean that no thought is being given now to the idea of convening a meeting of the National Council?

[Answer] That is true. At the present time no thought is being given to the idea of convening a meeting of the National Council.

[Question] What is the PLO's position toward the rapprochement between Syria and Jordan? What can be said about the statements that were made by 'Abd-al-Halim Khaddam announcing the death of the 11 February agreement?

[Answer] The PLO is part of the Arab world; it is part of what is good as well as what is bad in that world. Like other things, it is affected by improvements as well as regressions in that world. The organization thinks that every case of progress achieved on the Arab scene, that is, every step taken to achieve solidarity, makes a positive contribution to the organization's course. The organization thinks that the opposite of that is also true. Thus, we view the agreement between Syria and Jordan from that perspective, regardless of the Syrian regime's declared and undeclared intentions. Our relations with Arabs are based on actions that are taken to bring about solidarity. At no time do we feel that such action would have negative effects on us. Quite the contrary. It is on the basis of that perspective and that method that we signed the 11 February agreement with the Jordanian government. We consider that agreement a step toward Arab solidarity despite the Syrian statement that it is dead as a door nail, as 'Abd-al-Halim Khaddam described it to the Lebanese newspaper, AL-BAYRAQ. But Mr Khaddam was not a party to that agreement, nor did we seek his advice when we signed the agreement with Jordan. Accordingly, we and Jordan are the ones who are entitled to make a judgment about the effectiveness and usefulness of that agreement to which we and our brothers in Jordan are still committed, and that commitment was manifested in the recent meeting between the organization and Jordan. Our actions are still guided by and based on that agreement which can create new prospects for our future political activity and for our bilateral relations as well. We hope this agreement will be strengthened so that the objectives that are being hoped for to serve our common cause will be achieved.

[Question] It is being said that Jordan gave the Liberation Organization a deadline for recognizing resolutions 242 and 338. It is also being said that the meeting in Baghdad did not define a position on these resolutions; that is, it did not recognize them. Do you expect this to become a cause for dispute between Palestinians and Jordanians that could affect the Amman Agreement? How accurate is the news about a Jordanian request to reduce the number of Palestinians in Jordan?

[Answer] What was reported in the media about Jordan giving us a deadline for recognizing resolutions 242 and 338 is not true. What happened, however, is that after the joint delegation visited London, we and Jordan reviewed the changes that impeded progress in that action. This review was conducted to evaluate our common political actions. We agreed about the need to be alert to those changes and to try to overcome them in the future because, essentially, they will affect all of us.

[Question] What were those rifts?

[Answer] Those rifts are manifested in the fact that the truth about joint action and its nature are not understood with equal clarity, particularly on the international scene. Also interactions with current changes and new situations that thrust themselves on the scene of international activity are not the same.

In many cases these rifts require swift reactions and prompt solutions to the problems they create on set levels in both parties. And the organization must always have the time it needs to make the appropriate decision at the appropriate time because of the nature of its existence and makeup, because of its relations with the public and because of the magnitude of the challenges it has to face. It is thus different from a system whose frameworks and institutions are stable. That is why such changes happen; our evaluation of these changes and our attitude towards them was evident in the joint meeting. Both sides affirmed the need to continue their activities on the basis of the February agreement. They both affirmed the need to strengthen the course of that action, and Jordan showed its understanding for the reality of the area. There is no truth to what has been said about signs of differences in the final evaluation, and Jordan did not ask us to restrict our activity or limit the number of our Palestinian offices. The organization's formations that we have in Jordan are in Jordan with Jordan's approval. The nature of the PLO's activities in Jordan is political and informative.

[Question] The joint Jordanian-Palestinian committee to support steadfastness in the occupied homeland was supposed to tour the Gulf states, but that tour has been postponed. Why was it postponed? Does that have to do with the Jordanian position, particularly in the aftermath of the failure of that joint delegation's visit to London?

[Answer] The reason why the tour for the joint Palestinian-Jordanian committee to support steadfastness was postponed is the attitude assumed by the committee's host countries. There is no other reason. These countries were asked officially to set a date for the committee's visit, but they have not yet responded. We hope they will respond soon, especially since our people in the occupied land are being subjugated in all kinds of ways by Zionist occupation authorities. They need something to strengthen their will and resolve on the land because most Arab countries have suspended the payments that were determined for each country at the 1978 Baghdad Summit Conference to support our people's steadfastness in the occupied land. Most of the countries that suspended their support payments have no excuse for doing so despite the fact that some of them are citing the misuse of those funds by the joint committee. And here I would like to make one point clear: I am announcing on behalf of the committee our willingness to let all our fellow Arabs--governments, public institutions and people's organizations--know how and where these funds were spent. We are prepared to account for everything that was spent if we made a mistake. Those statements that are being made are being made to hurt our people and our cause. To us, this campaign is part of the campaign against the PLO, and we regret that such statements are being echoed in Arab countries which had pledged their support for us.

It was our hope that the topic of discussion would not be rumors and that charges would not be made at random. We hope we can be presented with facts, if those are available. I would be revealing no secret were I to say that during the past session of the Central Council, after some of our fellow members who were affected by those rumors spoke, I asked the speaker of the Central Council to convene a special session of the council and to include only one item for discussion on that session's agenda, namely support for the steadfastness effort

on the occupied land. I asked the speaker to give council members 2-months' advance notice of the subject of the meeting and to ask each member who has information about a violation or an instance of misconduct to bring that information to the council's attention. I am still saying that we are willing to do that because I am confident that every fils has been properly spent. However, I believe that the basis for these rumors is in part the hostile campaign against the PLO, especially the campaign in those newspapers that are taking part in that campaign under the cover of freedom of speech and democracy, which we respect. However, this freedom of speech and democracy must apply to everyone; there should not be a double standard. Another reason [why I asked for a special session of the Central Council] is that steadfastness support funds are much less than what our people in the occupied land need. What is offered is less than half the cost of a public park in an Arab capital city. It does not even come close to the budget of one of those newspapers whose only concern is to make negative statements about the PLO.

[Question] It is being said that the geographical area over which PLO operations can be carried out has shrunk in the aftermath of Israel's attack on Tunisia and its threats to bomb the organization's offices in Jordan. Does the PLO intend to move its headquarters from Tunisia? If so, where will its new headquarters be?

[Answer] The organization's headquarters will remain in Tunisia. PLO leaders are not thinking about moving the organization's headquarters, particularly since the Tunisian government and the fraternal people of Tunisia are determined to keep the organization's headquarters in their country. They are thus rejecting all attempts that are being made by some Arabs and others to apply pressure on them to force the PLO out of Tunisia. Instead, they affirmed their commitment to embrace the organization's leaders and headquarters. These are the people whose blood was shed along with ours when Israel raided our headquarters in Tunisia. Everything else that is being said is aimed at driving a wedge between us and Tunisia. However, the organization does hold its meetings in more than one location and in more than one capital. This is done for special considerations, including maintaining continuous contact with our people, finding out about their problems and doing something to solve those problems where they exist, especially in areas where the Palestinian Revolution has an established existence.

8592
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SYRIA

ECONOMY MINISTER DISCUSSES PRIVATE-SECTOR PROJECTS

Kuwait AL-QABAS in Arabic 16 Oct 85 p 11

[Interview with Dr Muhammad al-'Imadi, Syrian minister of economy and foreign trade, by Muhammad al-Shiti: "Syrian Economy Minister to AL-QABAS: 'I Profited From My Experience in Kuwait; There Is a Schedule of New Projects for the Syrian and Arab Private Sector'"; date and place not given]

[Text] In a conversation with AL-QABAS, Dr Muhammad al'Imadi, Syria's minister of economy and foreign trade, denied that his rejoining the Syrian government as minister of economy and foreign trade and his resigning from his position as head of the Arab Fund are indications of any change in the economic policy of the Syrian government.

However, Minister al-'Imadi acknowledged that he had benefited personally from his experience in Kuwait and the Arab Gulf region, as well as from his former position as the head of one of the most important institutions of joint Arab economic activity and from the knowledge he had gained with various Arab development experiments. He said that he would put what he had gained at the service of Syrian productive activity and Arab economic integration, where two steps have recently taken place in the direction of encouraging the private sector.

He expressed his belief that it is not possible to attribute the two steps in question to him after his assumption of his new job as economy minister, since there is no individual decision that does not harmonize with the country's economic policy.

Al-'Imadi said that there is no single individual capable of changing the policy of an entire country, except in the direction which that country had defined in the policies decided by the political leaders. (Here al-'Imadi was answering a question about the extent of the opposition between the desire to encourage the private sector and the socialist system of economy.)

Al-'Imadi added: "What I am now undertaking in cooperation with my fellow ministers is to clear space for all the productive forces to take their place in the work of building and construction, without any attempt by one group to invest in the resultant gains with more than what is permitted to another group."

Freeing Productive Forces

Concerning the extent to which current laws would be relaxed in the direction of aiding this "freeing" of productive forces, Dr al-'Imadi said: "We began with the area of imports, where we found that need requires us to make it easy for the citizen to bring in all industry- and agriculture-related primary materials, spare parts, and basic machines needed in the development operation. This is what took place: the prime minister issued the necessary decrees to implement it, while the private and joint sectors were made responsible for insuring the funding needed for the operation. This has led to a decrease of 30 percent in the prices of primary materials."

[Question] Is that explainable by the fact that there are steps in the direction of the private sector, because productive institutions might not all have to be state-owned?

[Answer] Contrary to what is rumored, all the political decisions that were made in the economic area stressed developing and supporting the public sector and giving it sufficient flexibility to carry out its functions with ease and facility, since it represents the productive efforts of all the citizens.

However, the professional, private and joint sectors are basic sectors important in our economic life. They complement the efforts of the public sector and operate within the framework of the economic and social plan. The private sector is therefore a resource. Socialist theory asserts that labor is the basis of value. Labor comes from man, and the private sector represents productive efforts that are found in our country. To emphasize this, recently all the areas and activities left to the private and joint sectors in agriculture and tourism were defined. There is a schedule that has been prepared and authorized by the economic committee. It defines the various areas that have been left to the private sector and confirms the importance of this sector in our economic life.

Joint Companies

[Question] These are goals. Are there at least some practical steps to attract Syrian capital from abroad? There is much private capital that would be willing to return, if given the chance--like the step that Egypt recently embarked upon.

[Answer] We have prepared a project to create new joint companies enjoying various advantages, among which is the fact that the public sector would own only 25 percent, while the private sector in its two divisions, Arab and Syrian, would own 75 percent. This is merely a beginning of interest in the overseas Syrian communities and in the Arabs in order to attract their capital to join in productive activity. These projects also enter such spheres of activity as the agricultural production of vegetables, fruit, oil-yielding seeds, poultry, cattle-raising stations, and beekeeping. The field in question is very wide. There are also numerous opportunities in the industrial area, among them: canning of agricultural products; development of the

textile, petrochemical, and engineering industries; and the production of spare parts. In short, there are 60-70 large areas that have been designated for the private sector. Until now, this has not been announced while we wait for its final approval and for two mutually related and complementary steps: definition of the areas of private- and joint-sector activity, and definition of the advantages that will be given to this sector. Among the latter, there is a suggestion that these projects be given freedom to import all equipment and materials needed to establish whatever projects the companies undertake as well as freedom to import primary materials not available at home in order to put their projects into operation. Exemption from customs fees in importing the required materials for production pertaining to these projects has also been granted, together with exemptions from all kinds of taxes for a period of 7 years from the date of initial operation of the projects belonging to these companies.

These advantages are clear. The presence of the public sector to a modest degree in these projects is for the purpose of supporting the companies, facilitating their operations, and opening all the doors for them to carry out the tasks laid upon their shoulders. Therefore, efforts now are to develop productive activity, encourage the private sector to carry out the role mandated in the economic and social development plans, and encourage the Arab sector to bring in its money and invest in Syrian-Arab projects. Law 348 grants the overseas investor, whether Syrian or Arab, the right to various guarantees specified by Arab agreements. In addition, he has the right to withdraw the yield on the funds he has in Syria as well as the right to return his capital abroad during a fixed period of time related to the costs of the project in which he invested his capital.

Raising Prices--After Studying Them

[Question] Why have the prices of certain materials recently been raised in Syria?

[Answer] As for the rise in the prices of certain basic materials, it was accompanied by a deep and careful study of the prices of these materials and of the entry of workers into Syria, in addition to the change that has taken place in wage policy.

Dr al-'Imadi said that the price of some materials had been set a long while ago. A kilo of sugar cost 90 Syrian piasters in 1970. President al-Asad lowered it to the present 85 piasters, in spite of the fact that the price of a metric ton of sugar on the world market at one time reached more than $1,000. Given the great increase in sugar consumption locally and the fact that the actual price in Lebanon and Jordan now is over 3 Syrian pounds, is it reasonable for the price of a kilo of sugar in Damascus to remain at 85 piasters? Given these prices, sugar becomes inadequately available.

The price of a can [20 liters] of diesel fuel was 20 Syrian pounds, in Turkey it sold for more than 70 pounds, and in Jordan at several times its price in Syria. It was imperative to review these prices and lighten the deficit resulting from the price support for these commodities. In return,

a special monthly compensation was allocated to state workers, who make up the great mass of the workforce. They are paid in cash to compensate for this increase. The effect of the price increase has therefore not had an impact on state workers, especially since President al-Asad has decreed a salary increase for state workers at various rates averaging 20 percent. The increase in question is in addition to the special compensation for increased prices.

[Question] What about workers other than those in state agencies? Has any unfairness fallen on them?

[Answer] Prices have not been raised to their world levels. There is still support for them. The other classes have borne a portion of this increase. I do not think it unfair. The great mass of workers work for the state, and their income can be changed only by a decision of the state. As for the salaries and incomes of workers in the private sector, they are flexible and subject to the balance of supply and demand. Their wages had been constantly moving upward, making them higher than the wages of state workers.

Restraining Government Expenditures

[Question] What about the increasing inflation?

[Answer] There is a policy of restraining or limiting government expenditures, together with a nonexpansion of current expenditures. This is a fundamental starting point for fighting inflation, but it is not a sufficient measure. The real treatment comes with increasing production and exports and increasing the supply of goods and services. This is the area to be focused on next. It will lead to a lowering of prices through a long-range program.

[Question] One notices that real estate and apartment prices have doubled 100 percent in a single year. And automobiles, too--their prices go up even after a year of use, which is the reverse of the natural development of prices. What is the reason?

[Answer] These phenomena are what have caused us to focus on a policy on production, opening the way for new private-sector projects and consequently absorbing the surplus liquidity available to the public by clearing the way for agricultural and industrial investment. This will direct funds toward investment in these activities, and away from their current direction toward speculation in land, real estate, and automobiles.

Arab Fund

On the subject of his evaluation of the experience of the Arab Fund and his expectations for the coming period under the leadership of 'Abd-al-Latif al-Hamd, the fund's newly elected president, al-'Imadi said that the efforts of the workers in the fund, the members of the board of managers and of the board of governors, and the support of the state of Kuwait, as represented by his highness, the amir of the country, and by various Kuwaiti agencies, have had a great impact on the achievement of what has been possible until now.

Al-'Imadi especially commended Minister 'Abd-al-Rahman al-'Atiqi and Shaykh Muhammad Abu-al-Khayl, finance minister of Saudi Arabia, for the support they have given to the fund. He said that the fund has proved the ability of an Arab nation to mobilize resources in the service of the Arab homeland. Its capital has doubled from 400 to 800 million Kuwaiti dinars, its loans have increased to approximatley 670 million dinars, and it has come to have at least 10 projects in each Arab country. One of the loans has even been made to the occupied territory, for the first time in the history of the fund and of other funds. Ninety percent of the money advanced by the fund has gone to joint Arab projects, and in this way the fund has proved its nationalism and that it is a tool of development that expresses the principle of Arab joint responsibility and solidarity in development.

Al-'Imadi said that what the leadership seeks to accomplish now is much greater than what it has already accomplished. The new leadership, in particular, has broad experience. It was the first to begin Arab development work, since the Kuwaiti fund was the first Arab fund to be established in the Arab states. 'Abd-al-Latif al-Hamd has broad experience in this field. His well-tested international and Arab contacts and his membership in or leadership of a number of international economic councils will enable him to give the fund real support.

Al-'Imadi expressed his belief that the fund is not now in need of renewing its resources, since it is programmed to continue its operation indefinitely at a minimum of 100 million Kuwaiti dinars a year.

Al-'Imadi advised that the fund's money be directed toward implementing projects by Arab hands. This would create a real development movement, for Arab money would not leave the region as it does now, when foreign companies in the end get hold of the fund's loans as the price for implementing the projects. The goal of this is to keep Arab wealth within the Arab homeland, so as to gain a twofold and impressive effect from expenditures on development activity.

[Box on p 11]

Sidenotes

Al-'Imadi said that the real population of Syria is greater than the published figure, reaching 13 million people, while the official statistics show it as just above 10 million. This means that the efforts of the private and public sectors are needed to respond to the existing expansions.

Al-'Imadi mentioned that he is ready to study the obstacles that returnees to Syria from the Gulf states encounter in importing their household effects--if there are such obstacles--in the knowledge that there are current easements for such cases. There is nothing new in relation to automobiles.

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SYRIA

OPPOSITION ATTEMPTS TO REGROUP

Kuwait AL-MUJTAMA' in Arabic 15 Oct 85 pp 28-30

[Article: "What Point Has the Opposition in Syria Reached? Syrian Embassies Receive Clarification Indicating That Amnesty Issue Raised by Interior Ministry Was Only Entrapment Operation"]

[Text] When the various security forces in Syria announced in February 1982, after striking their well-known blow at the city of Hamah, that they had finally done away with the Islamic fundamentalists, were the Islamic fundamentalists really done away with there?

At that time, some parties observing the Syrian domestic situation doubted the power of the various security organizations to do away with the Islamic fundamentalists headed by the Muslim Brotherhood. Only a short time later, the Syrian interior minister surprised the world by inviting the Muslim Brotherhood to return to Syria. The following question therefore presents itself:

Why is the Syrian minister inviting the Muslim Brotherhood to return to Syria and promising it a general amnesty? Observers have mentioned a number of possibilities, among them:

1. The regime's desire to abort the Muslim Brotherhood movement and to make it melt away inside Syria amidst the contradictions of the existing society;

2. The regime's desire to spread disunion in the ranks of Syrian Islamic fundamentalists in means of such an invitation; and

3. The regime's desire to rid itself of secret operations which the Islamic fundamentalists have been carrying out in Syria and which the regime has never publicized.

Some observers have taken the position that all these possibilities were among the purposes of the Syrian interior ministry. It did not escape the observers that the invitation came at a time of an intensifying struggle for power within Syria, not to mention Arab dissociation from the Damascus regime for many reasons, most importantly the regime's unconditional support of the Iranian regime against Iraq and the Gulf.

So-called Amnesty

Only a few days after the Syrian interior minister's invitation, Syrian authorities circulated to all their embassies a clarification in which they explained their intentions on the question of the Muslim Brotherhood's return and amnesty. AL-MUJTAMA' has obtained the text of the so-called amnesty circulated to the embassies. It was issued by the Interior Ministry of Syria on 25 January 1985. Here is the text:

Clarification of the Syrian Interior Ministry's Communique of 25 January 1985

1. The announced communique does not mean a general amnesty for the Muslim Brotherhood. Instead, it is a proposed amnesty specifically for those who we feel somehow became involved with these terrorists but who did not commit criminal acts (murder or participation in murder) and whose belief in the Muslim Brotherhood, its dubious ideas, and its mentality has been dispelled.

2. In the second stage, it includes those who took the side of those foolish people and somehow became involved in serving them, but then saw their error and completely lost their convictions. It includes them on condition that they be ready to stand beside their country against the aforementioned in a public manner without concealment.

3. The two stages are inseparable, but our treatment and acceptance of the two groups will differ. The matter will depend on how sincere we believe the applicant for amnesty to be and on the information available to us about him, information which he must know has reached us and is of sufficient exactitude. In light of this, a decision for acceptance or delay will reach him.

4. The important thing that every fugitive must know is that past actions, whatever they may have been, cannot stand in the way of an amnesty, provided that the pertinent authorities form a sufficient conviction of sincere intent and the correction of dubious thinking. However, cases of the third degree (acts of violence) involve a special reparation and will be handled between us and you on an individual basis.

5. Each person applying for an amnesty must submit a complete report detailing the circumstances of his organization from its beginning to the present moment, giving its names and not neglecting anything on the pretext that it is insignificant. He must report the stages of his life fully, mentioning the names of the persons who influenced or shared in it. He is then to set forth the reasons that contributed to changing his convictions and announce his readiness to correct the error and his possibilities of doing so. On the basis of our conviction that the application is sincere, we shall notify you of our approval or otherwise.

6. On the basis of our conviction, we may notify the applicant that he has received an amnesty without his coming immediately to the country, if he is involved with work or otherwise, on the understanding that he will set a time for coming, even if only on vacation, to settle the obscure matters.

We are eager to provide an opportunity to all who made mistakes to correct them, provided that a sincere intention be present. If the returnee violates his promise in the future, there will be no intercession on his behalf. Decree 49, which remains in force, will be applied to him, since there is no room for the Muslim Brotherhood in the life of the country.

8. The report of the application for amnesty will, in case of acceptance of his application, be considered as a belated withdrawal from the group. He will not be held accountable for anything up to its date, provided that the sincerity of his promise be unshakable.

Please circulate this, and deliver to the Intelligence Branch the applications that are presented and questions that arise. You will be apprised of an answer from us or a clarification where necessary, so that the person in question may be notified.

[signed] Major General, head of the Intelligence Branch

Muslim Brotherhood's Stand

The Muslim Brotherhood's stand on the regime's invitation, as expressed through the communique of the Interior Ministry and through intermediaries who conveyed the regime's wish for conciliation with the Muslim Brotherhood, is clear. Although mindful of the regime's designs, the Brotherhood asked the regime to show its good intentions in practice and unconditionally release all Islamic fundamentalist prisoners from its prisons. When the regime did not carry out the demand, the Brotherhood's response was to reject the regime's invitation, especially since the purposes of the invitation were well known, having been revealed by the clarification circulated to the Syrian embassies abroad.

On the other hand, a few individuals affilitated with the al-Tali'ah [the Vanguard] Organization responded to the invitation, only to land in prison. The Brotherhood's communiques and publications reveal how those few individuals were treated by the regime.

What Is the Brotherhood Doing?

If one goes back to the documents and publications coming from the Muslim Brotherhood organization in Syria, one grasps their true significance, which is that the activity of the opposition in Syria has not for a moment been interrupted. Even military activity is still going on. The ruling institutions in Syria, however, are extremely secretive about the matter. Some of the operations discharged by military activity during the last few months include:

-- Blowing up an annex building belonging to the ruling party in Damascus, between al-Abbasiyin Stadium and Suq al-Khudrah, using a 20-kg explosive charge of TNT;

-- Blowing up the offices of the Syrian News Agency, SANA (the Iranian government news agency was the first to carry the news); and

-- Blowing up a large military gathering that had been assembled from groups close to the regime on the occasion of Army Day, with over 150 people killed in the explosion.

There were other military operations, but there is no room to publish them in this small space.

As for informational activity by the Muslim Brotherhood in Syria, it appears to be well organized. The organization issues a number of publications, including:

1. AL-NADHIR [THE WARNER], most recent issues published as No 84,

2. AL-MUJAHID [THE FREEDOM FIGHTER], a publication issued by the education apparatus, with issue No 34 having appeared,

3. SURIYA FI AL-SIHAFAH [SYRIA IN THE PRESS], a monthly news publication, with No 18 being the most recent issue,

4. NASHRAT AL-SIHAFAH AL-YAWMIYAH [THE DAILY PRESS REPORT], a publication that examines what is published about Syria by Arab and world information agencies,

5. Also, a series of books issued by al-Nadhir Publishing House on notable Islamic propagandists from various countries: Imam Hasan al-Banna, Dr Mustafa al-Siba'i, etc. Al-Nadhir Publishing House also publishes the works of Islamic propagandists. Among its latest publications is the book, "Al-Jannah wa Sifat Ahl al-Jannah" ["Paradise, and the Description of the People of Paradise"], by the martyr-shaykh Muwaffaq Sirjiyah. The book was No 27, and it came out in Ramadan 1405 [May/June 1985].

Precautions of Regime

The fact that best explains the regime's repeated conciliatory invitations to the Muslim Brotherhood is that of fear. It is fear that caused the regime to establish numerous intelligence agencies. There are more than 10 of these huge agencies, and they consume a large portion of the state budget. Among them are:

1. State Security, or General Intelligence

2. Military Intelligence

3. Political Security

4. National Security

5. Foreign Intelligence

6. Air Force Security Administration

7. Republican Palace Intelligence

8. Defense Companies Intelligence

All these agencies still carry out executions. Recently, yet another massacre was committed at Shaykh Miskin prison in the Hawran region, where 50 prisoners who had protested bad sanitary conditions in the prison were executed. Among them were some imprisoned army officers.

Renewed Activity

Given the fact that the countermeasures by the security forces and agencies are what has come to the world's attention since 1979, has the strength of the Islamic opposition or of the other forms of opposition that seem aligned with the Islamic fundamentalists within Syria been sapped?

Those who have information about what is kept secret in Syria say that the climax of these operations came about 5 months ago in the attempted assassination of Mahir Asad, the son of the president of the republic. It was reported that one of the opposition groups put a car loaded with 200 kg of TNT at a place in the Shatura area where Mahir Asad had an appointment. The car did indeed explode, and 13 people close to the intended target were killed. Mahir Asad escaped because he was late for the appointment with the attempt taking place before his arrival.

Demonstrations

In the midst of this atmosphere pointing to no relaxation in the government's stand on the hostages and prisoners in the prisons, the women of Damascus, mothers and wives of the prisoners, organized a demonstration. This fact was reported by some news agencies in Europe and was described by London radio on 30 July 1985. The women chanted slogans demanding the release of their sons and husbands. One of the authorities tried to quiet the women by promising to release the women's husbands within a week. When this did not take place, the women repeated their demonstration in the direction of the Presidential Palace. However, the security agencies suppressed the demonstration and arrested many of the women.

On the other hand, a woman citizen, Samiyah Ahmad Kayyal, a resident of the city of Hims, gave a lecture in a secondary school, explicitly condemning the regime's treatment of the people. The intelligence agencies arrested her, and she was executed for the lecture.

What Next?

This is the charged atmosphere in which Syria is living, now that the stand of the Islamic opposition and of its allies has become clear. What, then, is to be expected for this brother state whose regime is living in the midst

of an unenviable equation? Its relations with its neighbors are overwhelmingly negative. If Syria's relations with Iraq, Jordan, and the PLO are well known, its relations with Turkey are no less bad, especially since the Turks have become convinced that Damascus regularly trains groups from the terrorist Armenian Army, which attacks Turkish institutions and diplomats. There have been reports that the mutual troop concentrations on the Syrian-Turkish border would not have taken place were it not for the Syrians' aid to the Armenians. Then there was the smuggling out, with Syrian assistance, of the Turkish Nusayris from the Iskenderun-Antakya brigade to the Lebanese Biqa' Valley, an action that provoked the Turkish politicians against the Syrian government and that still continues to have its effect.

While no observer can completely foresee Syria's possible future condition, many observers are asking into whose lap Syria will fall.

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SYRIA

BRIEFS

AL-YARMUK PROJECT STARTUP--Syria has started exploiting the al-Yarmuk valley, which is considered one of the most important agricultural projects in the Dar'a Governorate situated in the south of Syria. The reclaimed areas total 30,000 hectares, and this is the project's first phase. The authorities have provided water, have reclaimed the land of a part of the valley, and have decided to farm it with vegetables and citrus, while it has reclaimed another portion 400 hectares in area and has decided to farm that with bananas. The authorities concerned have started to establish an irrigation system in the region to guarantee the irrigation of crops. The cost of this stage is about 250 million pounds. The second stage of the al-Yarmuk project will require the provision of additional water to reclaim about 61,000 hectares. [Text] [Paris AL-MUSTAQBAL in Arabic 2º Sep 85 pp 41-42]

CSO: 4404/126

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

LAND TRANSPORTATION BETWEEN NORTH, SOUTH DISCUSSED

Aden 14 UKTUBAR in Arabic 24 Sep 85 p 5

/Article by Kawthar Shadhili/

/Text/ As part of the efforts by the leaderships of the two halves of our single great country of the Yemen to reunify it and gather together the severed members of this divided nation, they have worked hard, and are still working hard, at unification efforts to unify all material and spiritual activities and capabilities so that they will all pour into one channel, to provide the economic, social, scientific, and cultural elements so as to realize a unified state with strong foundations so that our economy, for example, will become strong, strengthened, firm, and integrated, in view of the fact that it is the essential pillar that determines the identity of this system or that. It is also the material basis to any society, so in this framework the leaderships of the two halves of our beloved country have worked to coordinate the efforts of economic establishments that have a joint nature, and a number of joint economic companies and establishments have been founded in the two halves. One of these companies is the "Joint Yemeni Land Transport Company" which was, and still is, playing a prominent role in organizing operations to transport citizens as well as goods between the two halves of the single nation. It should be pointed out here that this company was established in 1980. Its capital at that time was 50 million Yemeni riyals or its equivalent in Yemeni dinars distributed equally between the governments of the two halves, on condition that the company's headquarters be in the city of Aden, with a main branch in the city of Sanaa. The company has a board of directors comprised of six members, three of whom, including the chairman of the board, represent the southern half, and three of whom, including the general director, represent the northern half. In order to find out more about the most important accomplishments and achievements that have been accomplished since it was founded until the present time, we met with Comrade Ahmad Salih 'Abduh, deputy transport minister, who answered all our questions about the company, its activity, its accomplishments, and the developments that it has experienced.

He said: From the figures available from records of the company's activity, it is clear that it has been able to achieve good results, which bodes well of the possibility of achieving further development, which will serve the

masses of the Yemeni people. In the area of transporting passengers, the continuous growth in the number of passengers that the company has transported between the two halves is obvious, as is the number of bus trips to meet the demand for transportation, since the number of passengers transported in 1982 was 9,505, and in 1983 it was 10,612, and in 1984 the number was up to 16,170. During the first half of the current year of 1985, their number reached 7,042. But if figures are to be given about the number of trips since 1982, we can summarize them as follows: In 1982, the number of trips was 267, and that increased in 1983 to 367 trips. The year 1984 also saw a noticeable increase, since it was up to 455 trips, while the number of trips on the company's buses during the first half of the current year of 1985 was 198.

As for the area of transporting goods, Comrade Ahmad Salih 'Abduh, deputy transport minister, explained that the company began to put its trucks in operation as of the month of September 1983, and as of December of the same year it had derived from that an income of 22,643 dinars. During 1984, the company's trucks made 242 trips, transporting 6,039 tons and making 111,525 dinars. As for the first half of this year, the trucks made 144 trips, transporting 792 tons of diverse goods and 70,000 cylinders of butagas and making 44,632 dinars.

The comrade deputy minister stresses the great and direct care and attention that the company enjoys from the founding association that includes the ministers of transport of the two halves, in view of the fact that the company is considered to be one of the fruits of unification between the two halves, and he added: The ministers of transport in the two halves are continuously following the course of the company's activity, and they are working to remove the obstacles that stand in its way so as to create the right circumstances for it to achieve the goals for which it was founded, on the one hand, and to present it as a good example to be followed in the area of joint economic activity between the two halves on the other.

Why Aden-Ta'izz?

It has been observed that the company organizes passenger transportation between Aden and Ta'izz and vice versa, but it does not operate other lines to various regions of the two halves. How do you explain the reasons for that? Also, how are goods transported?

Comrade Ahmad Salih 'Abduh, deputy minister of transport, answered this question by saying:

It must be mentioned that the founding agreement has limited the goals of the company to transporting goods and passengers between the two halves and not within each half, because there are two public establishments for land transport in the two halves that carry out internal transport in them. He added that while passengers are presently being transported

between Aden and Ta;izz and vice versa, that does not mean that the company will not bring new lines into operation between the two halves, inasmuch as that is tied to economic activity with respect to the increase in the number of passengers, the condition of the roads, etc.

The company should not hesitate to operate new passenger transportation lines between the two halves whenever the right circumstances have been created for that. Concerning the transport of goods, the comrade deputy minister explained saying: The picture differs somewhat here, since the company's trucks transport goods between any two points in the two halves according to the demand for the area or areas to which the company transports goods, and in fact in the past the company has transported goods to and from numerous regions in the two halves, such as al-Hudaydah, al-uhalla, Sanaa, Ta'izz, etc.

The Company and the Transport of Goods

Doubtless you are well aware that there are trucks and large cars that do not belong to the company which transport goods between the two halves. Why does the company alone not take over the task of transporting goods and consolidate this activity under its control?

Comrade Ahmad Salih 'Abduh stated the following: The founding agreement clearly stipulates that the company alone, and no one else, shall transport goods between the two halves so that the transport of goods will proceed continuously and as expediently as possible. But because of some objective difficulties, the company has so far not been able to take over the transport of goods between the two halves by itself. However, continuous efforts are being made to remove those difficulties, since the founding association has confronted this problem and has studied the circumstances surrounding it. It is hoped that in the future positive steps will be taken in this respect that will enable the company to expand its activity.

After this meeting with Comrade Ahmad Salih 'Abduh, we felt it was a good time to salute all the efforts being made for the success of the tasks and goals of the Joint Yemeni Land Transport Company, and to call for more to be done to develop, improve and continue the activities of the company.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

TRADE COOPERATION WITH NORTH DISCUSSED

Aden 14 UKTUBAR in Arabic 26 Sep 85 p 5

/Article by 'Ali Muhammad 'Abdallah/

/Text/ Among the unification committees working on joint, integrative projects between the two halves, the committee for commercial trade has been one of the diverse committees active in the field of expanding trade relations and creating a joint Yemeni market over the long term. In the area of the process of commercial trade between the two halves of the nation, it has facilitated the entry of Yemeni goods of Yemeni origin into the markets of the two halves in order to create integrative goods that are given protection from competition from foreign goods. This committee has made great strides in its regular series of meetings, the latest of which was the meeting held last July.

Comrade 'Ali 'Abd-al-Karim Muhammad, deputy minister of trade and food supply for domestic trade affairs and head of the committee for commercial trade from the southern half of the nation, evaluates the activity of the joint committee. He says:

In order to understand the level which the committee has reached in the process of commercial trade between the two halves, one must know about the starting point in order to evaluate this level, along with knowing about the influencing factors that raise, either by increasing or remaining stable, this level according to the nature of the factors operating in this respect. By that we mean the extent of the availability and diversity of goods of Yemeni origin, the elasticity of their prices, the size of the demand for them, the methods of regulating their trade, and to what extent the factors of integration occur in these goods to cover and fill the needs of the market in the two halves, in view of the fact that the degree of similarity in goods creates essentially an element of conflict, since similarities in the production of a commodity or several commodities within the framework of the Yemeni market make it difficult to absorb these goods, because what is produced here and there in this or that amount as a flexible basis for demand can be depended upon for mutual trade. It takes control of the prevailing demand. This applies to some of the industries that produce similar products, such as plastics products, rubber sandals and some of the industries. On the other hand, the absorbtive potential between the two halves still has promising horizons,

especially with respect to agricultural commodities and their role in developing the volume of trade between the two halves. With the framework of its regular meetings, the committee also came to define the bases, rules and mechanics which would give impetus to the process of trading goods of Yemeni origin between the two halves, increasing the volume of trade and removing the obstacles standing in their way. The committee concentrated its attention on the volume of the surplus existing in each of the two halves, and on facilitating the task of exchanging it whenever the opportunity presented itself to do so, on condition that the trade be given sufficient protection from foreign competition. In understanding the nature of its task and role in working to provide the right climate and assurances that would guarantee that the process of commercial trade would increase equally between the two halves, this committee, in its regular meetings, has arrived at a number of issues that will doubtless help to activate trade and increase the volume of commercial exchanges between the two halves while relying on previous resolutions that support the process of transporting goods of Yemeni origin, and offering many advantages to facilitate this process of transportation, such as exemption from customs duties on agricultural goods of Yemeni origin, exemption from import licenses, and establishing branches of national establishments in Aden and Sanaa. Their job would be to work towards facilitating the task of transporting goods of Yemeni origin, and thus to work towards distributing them so as to ensure an increase in the volume of commercial trade (in quantity and kind). The committee also arrived at a preliminary agreement on protecting Yemeni products in the two halves, their surpluses, and their trade from foreign competition.

Differing Rates in the Trade Process

Regarding the rise in the level of the volume of commercial exchange between the two halves of the nation, figures and statistics reveal the level of that volume and the exchange list that includes the manufactured and agricultural commodities that are traded between the two halves. The southern half exports household utensils, water hoses, sponges, cigarettes, light footwear, and agricultural produce in accordance with the seasons, and it imports from the northern half biscuits, sweets, plastic utensils, and agricultural products according to the seasons. Exports of butagas cylinders enjoy a large portion of the volume of commerical trade between the two halves.

The table shows the value of the volume of imports and exports between the two halves from 1980 to 1984, in thousands of dinars:

Year	Imports	Exports
1980	6,227	1,740
1981	7,035	1,602
1982	6,950	1,602
1983	7,243	2,088
1984	8,927	1,247

In analyzing the figures pertaining to the lists of exchanged goods that are reflected in these figures, it is clear that total imports, and thus the balance of trade between the two halves, has not yet attained an equal degree, since imports from the north exceed what is exported by several times, something which makes it necessary to work towards increasing exports to markets of the northern half and provide the facilitations necessary for that in order to remedy permanently the unbalanced relationship in the rates of trade between the two halves.

Results of the Latest Agreement

Within the framework of its regular meetings, the committee on commercial trade, which met in Aden in July 1985, decided to concentrate its meetings on following and laying down practical steps, in addition to defining its methods of operation which are to give impetus to the process of commercial exchange and to increasing its volume and diversity so as to ensure the implementation of all decisions taken in past years and to provide sufficient protection for the goods.

In its latest meeting the committee brought up, in a sincere brotherly spirit, the utmost importance of the role of trade and the need to strengthen and broaden its horizons between the two halves. In this respect, it agreed on adopting the following:

--To make arrangements to open branches of commercial establishments in the two halves.

--An agreement on making the necessary banking arrangements between the central banks of the two halves in order to facilitate and activate commercial trade.

The committee also urged the importance of giving priority to the Yemeni Land Transport Company in transporting goods between the two halves. On another matter, the committee completed its discussion of measures pertaining to setting up a Yemeni agency for standards and measurements.

12547/12276
CSO: 4404/110

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AGRICULTURAL COOPERATION WITH NORTH DISCUSSED

Aden 14 UKTUBAR in Arabic 27 Sep 85 p 5

/Article by 'Ali Husayn/

/Text/ These days our Yemeni people are celebrating the 23rd anniversary of the 26 September revolution, which did away with the reactionary regime of the imamate in the north of the nation, and the 22nd anniversary of the 14 October revolution, which expelled the English occupation from the south of the nation and opened up vast horizons for the development and prosperity of our people.

Amidst these celebrations, efforts are continuing to deepen the spirit of fraternization between the two halves on the road to realizing the goal which our people seek, which is to achieve Yemeni unity through joint coordination in diverse areas. In the area of agriculture and fishing, joint efforts are continuing in order to achieve self-sufficiency in fish and agricultural products and commodities through expanding the fields of cooperation and coordination in that which agrees with the wishes of the Yemeni people.

In the agricultural field, many joint projects between the two halves have been put into effect during the period since the first meetings between the joint committees, which held their first meeting in July 1984.

In order to find out what joint agricultural projects had been implemented, we met with Brother Husayn Ahmad Sa'id, deputy director of the department of planning in the Ministry of Agriculture and Agricultural Reform and coordinator of the joint planning committee, and we put our questions to him on this matter.

Outcome of the Joint Committee Meetings in the Agricultural Field

/Question/ What are the joint agricultural projects between the two halves of the nation that have been implemented since meetings between the joint committees began?

/Answer/ As a result of directives from the political leaderships in each of the two halves, and in accordance with the resolutions of the Yemeni Council and the joint ministerial committee, the first meeting of the joint committee for coordination between the two halves in the agricultural field was held in Sanaa from 11 July to 19 July 1984, and the second meeting was held in Aden from 28 October 1984 to 5 November 1984, and it agreed to implement the following projects:

First, in the area of agricultural research:

1. It was agreed to form a higher committee for the two halves for agricultural research that would meet every 3 months. The first meeting was held in Ta'izz from 28 February to 5 March 1985, and it dealt with the following aspects:

a. Defining agricultural research priorities in the two halves and joint research programs in the following areas:

Research on crop protection, research on field and horticultural crops, research on soil and water, research on agricultural economics, research on agricultural machinery, and research on forests and pastures.

b. Agreement was reached on forming specialized technical committees according to the fields of research.

These committees would do the following:

-- Collect and verify previous data in all the fields.

-- Exchange reports and programs regularly through the higher research committee.

-- Lay down detailed programs to monitor available capabilities that are compatible with existing activities.

-- Put together the results of joint research in special reports.

-- Work towards organizing the process of exchanging plant samples and materials regularly and quickly so as to benefit from them

-- Publisha scientific agricultural journal in Yemen's name, north and south, under the higher committee for agricultural research. It is to be put out once a year, and the amount to be set aside for it was determined, with each half contributing a share.

Secondly: Production and agricultural services

1. A joint request was made to the United Nationsl Development Program to finance an economic feasibility study of a banana project in the south for meeting the needs of the north.

2. A joint request was made to the United Nations Development Program to finance the completion of an economic and technical feasibility study of a project for producing grapes in the northern half to meet a portion of the needs of the southern half.

3. In the area of developing chicken production, the two sides agreed to do some of the work relating to defining the characteristics and bases for preparing an economic feasibility study of a joint chicken project. Agreement was reached on taking the following steps:

a. A joint request was submitted to United National Development Program to finance the preparation of an economic and technical feasibility study on setting up a joint chicken project.

b. The responsible parties in the two halves are to begin to gather the data necessary for preparing the study.

c. To benefit from opportunities to study at the veterinary secondary school in Sanaa, beginning in the 1985-86 year.

d. To facilitate the marketing of chicks from the southern half to the northern one.

4. With respect to the exchange of plants between the two halves, the southern half received the following from the north:

Type	Number
Peach	2,500 plants
Grape	10,000 plants
Coffee	4,220 plants
Pomegranate	1,500 plants
Strawberry	300 plants
Lemon	500 plants
Orange	150 plants
Tangerine	50 plants
Guava	3,000 plants

The northern half received the following from the south:

Type	Number
Banana	2,782 suckers
Mango	870 plants
Clover seed	50 kg
Improved wheat seed	200 kg
Improved maize	200 kg
Forage grass sprigs	1 ton
Tobacco seed	50 grams

During November and December the following will be exported to the northern half:

Type	Number
Mango	915 plants
'Abbasi	200 plants
(bidan) seed	5 kg

As for the activity of marketing fruits and vegetables it is ongoing, and the exchange of agricultural products is going on continuously.

Animal Production and Veterinary Science

1. A campaign against rinderpest was launched in the southern half in December 1984, and it ended in January 1985. Then the second phase of the campaign to combat rinderpest was begun.

2. The standardization of identifying marks on cattle and sheep in the two halves was coordinated.

3. Two of the cadres from the northern half were trained in the area of artificial insemination.

4. Two of our cadres were sent to Sanaa for training in the field of animal health.

5. An observation station was set up in the Qa'tabah district by us.

/Question/ Last July the third session of the ministerial committee for agriculture and fishing held meetings in Sanaa. Of the joint projects that were decided upon, which are the most important?

/Answer/ The joint ministerial committee for agriculture and fishing discussed the following agricultural and fishing projects:

First: Agricultural production.

a. Agricultural research

It was determined that it would be necessary to publish a Yemeni agricultural research journal, and the research committee of the two halves was given the task of preparing a complete report on this matter to be sent up to the joint ministerial committee.

It stressed the need to expedite the meetings of the specialized technical research committees, that they hold their first meetings this September, and in fact the delegation has arrived.

Animal Production and Services

The committee determined that the planning organizations in the two halves should follow up on joint requests presented to the United Nations Development Program on preparing and financing studies of joint banana, grape, and chicken projects between the two halves.

It decided to submit a joint request to the United Nations Development Program to prepare a study of national campaigns against infectious agricultural diseases, and to look into ways of financing them. It was agreed to present a preliminary proposal from technicians concerning the elements of the study and the goals and components of the project.

It decided to submit a joint request to the United Nations Development Program to prepare a study of a joint project to increase seed in the two halves and study ways of financing it.

It decided to submit a joint request from the two sides to the international Food and Agriculture Organization (FAO) to make a detailed study of the nutritional situation in the two halves and to make proposals and offer advice on it.

It decided to develop two nurseries specializing in fruit trees from among the existing nurseries in the two halves, on condition that technicians in agricultural research in the two halves submit a preliminary proposal on the types and varieties that are suitable for growing, and that work on development be started so as to complete the exchange of proposals by the beginning of 1986.

The two sides determined to complete the exchange of plants and seeds that had been agreed upon, on condition that additional needs be determined by the two sides at a later date.

It was determined to complete the compilation of lists of agriculutral diseases as well as lists of field and horticultural crops during what remains of this year, and to form a specialized committee from each of the two halves to study them and publish them in a single booklet.

The two sides stressed the need to look into standardizing the crop quarantine law, and to complete the study on the laws whose standardization has been proposed. They are the law on alternating pesticides, the nursery law, animal quamantine, and protecting animal resources.

It was determined to complete the measures being taken to organize the first national symposium on crop protection so as to hold it at the end of 1985.

It agreed to hold the potato symposium during the first half of 1986 in the southern half, with participation by our brothers from the northern half.

Animal Resources

It was agreed to set up a unified executory program to enumerate and diagnose animal diseases and ways of combatting them. Work was begun on that as of last August. It agreed on the need to exchange detailed lists of the vaccines and antibiotics being used in each of the two halves, and the possibility of standardizing them was discussed.

It was agreed to submit a joint request to the international Food and Agriculture Organization to prepare a study of a joint project to combat rinderpest and smallpox of sheep and goats, and to look for ways to finance it.

It confirmed what had been arrived at in the development committee and the agricultural committees concerning the marketing of chicks from the southern half to the northern one.

Development of Aquatic Resources

The two sides decided to form a sub-committee on the development of aquatic resources for the two halves.

In the area of hydrometrology, the committee decided to plan a network of hydrometric stations in the two halves, and to build stations to measure rainfall, floods and underground water.

In the area of flood irrigation, the committee will take the necessary steps to develop and intensify coordination in the area of studying and building dams and barriers to water and existing and future irrigation installations in order to increase control over the drainage of flood waters, to direct their usage, and to limit the damage they cause, especially in the valleys that are common between the two halves.

In the area of underground water, the committee will work to coordinate the studies and the implementation of projects pertaining to sources of underground water in the valleys of the two halves. The committee will also work to make a modern irrigation means generally available, and it will work in the field of maintaining and operating an irrigation network.

The committee will pursue areas of responsibility for ensuring the establishment of a system to maintain and operate an irrigation network, and it will cooperate in the exchange of data and expertise and in training workers in this field in each of the two halves.

Fish Production

It was decided to experiment with fiber glass boats, whereby the southern half would provide two to three boats with their crews for a period of 3 months, and the northern half would cover their operating expenses.

It was decided to form a sub-committee for fish resources to pursue aspects of coordination in this area.

It was determined to do a joint study of fish and shrimp fishing in the life of the northern half, and to carry out reciprocal fact-finding visits.

Training and Exchange of Expertise

In the area of training and the exchange of expertise:

Two statisticians from the southern half were sent for training in statistics in the northern half last August.

It was agreed the specialists in the field of planning in the northern half would visit the southern half of the nation during the latter half of this year to acquaint themselves with methods of preparing production and investment plans for the agricultural sector for the third 5-year plan.

It was agreed that the director of the department of information in the northern half and the deputy director of the department of research for extension affairs would exchange visits at the beginning of the upcoming year.

It was agreed that the southern half would provide the northern half with four opportunities for applied training in the field of extension and agricultural information during 1986.

The committee will prepare a schedule for visits by authorities in the two halves, and it will also provide training for technicians from the two halves.

The southern half of the nation agreed to train some cadres from the northern half as follows:

1. Two people for 6 to 8 weeks in commanding fishing boats.

2. Two people for 6 to 8 weeks in the maintenance of fishing boats.

3. Two people for 6 to 8 weeks in freezer maintenance.

The two sides agreed to exchange fact-finding visits lasting from 7 to 10 days to installations in the two halves in order to see how they are operated and run.

The two sides agreed that the ministerial committee for agriculture and fishing would hold its next session in Aden in early 1986, and that the sub-committees would submit prior reports on what had been done in the area of coordination and programs for future work.

12547/12276
CSO: 4404/110

REBEL LEADER DISCUSSES STRATEGY, OBJECTIVES

DW031106 Hamburg STERN in German 2 Jan 86 p 20

[Interview with Gulbuddin Hekmatyar, Afghan rebel chief and leader of the Hezbi-Islami party, by correspondents Almut Hielscher and Jochen Schildt, date and place not given]

[Text] STERN: What are the objectives of your party?

Hekmatyar: Once we have booted out the Russians and the Kabul puppets regime we will build the Islamic Afghanistan. Islam is capable of solving all individual problems of life.

STERN: Are mixed schools envisaged?

Hekmatyar: No. Girls will be taught separately. This is in keeping with our tradition.

STERN: What role do the women play in your struggle?

Hekmatyar: The Koran provides that men and women are obligated to fight against the enemy. Even though you do not see the women here among us, they are present.

STERN: In the past few years the government in Kabul restored or newly built hundreds of mosques. Chief of State Karmal himself often goes to pray...

Hekmatyar:...Indeed; because our resistance is so great Karmal now pretends to be a religious Muslim.

STERN: You have been fighting against Kabul for six years now. Experts believe that nobody can win this war. What strategies do you have to overcome the deadlock?

Hekmatyar: The new all-party coalition strengthens us. We would have won long ago if the Russians had not constantly increased their troop strength; there is practically no Afghan army. We are fighting face to face with the Russians. Lately we have also been attacking the military bases of the

Soviets. In the mountains we build caverns and dugouts in which we repair captured tanks and weapons. We are also not in the position to defend these bases. We will win. The losses of the Russians increase, the morale of the Soviet soldiers is next to nil.

/12913
CSO: 4620/17

TWO GULBUDDIN MEMBERS SAID SENTENCED TO DEATH

LD282006 Kabul Domestic Service in Dari 1600 GMT 28 Dec 85

[Text] Two criminals and robbers of Salang highway [The highway linking Kabul to the border of Soviet Union], who had belonged to the Golboddin terrorist band, were sentenced to death at a open trial recently held in Pol-e Khomri City.

The judicial panel of the DRA Special Revolutionary Court, in holding an open broad session attended by hundreds toiling citizens of Pol-e Khomri, judicially considered the case of two armed members of Golboddin, Fayz Mohammad son of Niaz Mohammad and Jan Aqa son of Sayd Godboddin, inhabitants of anderab district, Baghlan Province.

The accused who were caught red-handed in the course of an armed clash with the security forces along Salang Highway, in Darwaza-e Khenjan region, Doshi District, had with them two Chinese Kalashnikovs and their ammunition. They, both during the investigation of the case and at the judicial session of the case, have explicitly confessed to the perpetration of terrorist actions, in particular armed robbery on the Salang Highway where they plundered the contents of the vehicles containing government and national traders property.

In accordance with the report of BIA correspondent the judicial panel of the Special Revolutionary Court, after hearing the case of the respective special revolutionary prosecutor and giving time to the accused to read their defense, which took place in a democratic atmosphere, sentenced to death each of the accused on charges of armed uprising against the DRA and robbery, in accordance with the provision of the DRA Penal Code [words indistinct].

Two Chinese Kalashnikovs and their ammunition were also seized and impounded.

The death sentence against the convicts will be applicable after the approval of the DRA Revolutionary Council Presidium in accordance with Article 58 of the DRA Basic Principles.

/12624
CSO: 4665/21

AFGHANISTAN

VILLAGE COUNCILS CONTINUE TO MEET PEOPLE'S NEEDS

Kabul ANIS in Dari 27 Oct 85 pp 1, 4

[Text] The Qonduz NFF [National Fathlerland Front] Provincial Council has a total of 6,634 members who are organized in 79 different councils throughout the province. From among the aforementioned councils, 14 new ones were created during the first six months of the current year with a total of 705 new members who are organized in one district council, nine village and hamlet councils and four residential councils.

During the same period the Qonduz NFF Provincial Council has introduced 62 young volunteers to the DRA training camp and it has also created a new self-defense group. As regards other activities of the above-stated council, the head of the Qonduz NFF Provincial Council stated: In order to carry out the assigned tasks, during the same period, the Qonduz NFF Provincial Council has organized various seminars composed of the chiefs and deputy-chiefs of the city councils, district, subdistrict, village and residential councils. Furthermore, for better guidance and more effective use of the abovementioned councils' activities about 1,300 propaganda pamphlets have been put at the disposal of each council. Moreover, the employees of the Qonduz NFF Provincial Council visited six city, district and subdistrict councils and evaluated their activities.

As a result of the activities of the employees of the Qonduz NFF Provincial Council the contents of 32 resolutions were duly implemented and on the level of relevant councils, the planning system was properly promulgated.

He also went on to add: According to the projected plan, during the current year on the level of Qonduz NFF Provincial Council three literacy courses were created. There are a total of 28 students enrolled in these courses, which are being taught by three teachers. Furthermore, during the same period, on the province level three family arbitration commissions and two parents-teachers associations were formed.

The above-stated source also said: As a result of the voluntary work of more than 600 individuals, for a period of one month 500,000 afghanis were earned. Similarly, during the same period two protocols for cooperation between the municipality and district council of Hazrat-e Imam and the Amu Darya(Oxus River) fortification project were signed and according to these protocols the parties will cooperate with one another in planning the security of the region, providing materials, funds and so forth.

He also added: During the current year, on the level of Qonduz NFF Provincial Council through the efforts of the relevant councils, four water-distributors were selected and 32 school-age children were introduced to various schools. Likewise, during the same period appropriate measures were taken to answer the needs and petitions of over 900 inhabitants of the region by the relevant councils. In a similar fashion, distribution of goods such as women's garments, men's and children's shirts, which have been received as aid from friendly countries were also carried out. And 50,000 afghanis from the gift-money fund were distributed among the families of the martyrs of the revolution and other needy individuals.

As regards the propaganda activities, the head of the Qonduz NFF Provincial Council stated: As a result of the organizational activities of the NFF Provincial Council and the cooperation of other social organizations, during the first half of the current year 29 discussion meetings were formed in which over 700 persons took part and they discussed the glories of our historic events. Similarly, in other meetings and gatherings, which took place with the participation of over 4,000 individuals, the goals of the party and the objectives of the NFF, the decisions and decrees of the grand tribal assemblies, the laws of local organs and other government departments were extensively discussed.

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CSO: 4665/19

AFGHANISTAN

GOVERNMENT EMPHASIZES PLANNING TO REALIZE ECONOMIC GROWTH

Kabul ANIS in Dari 27 Oct 85 p 2

[Text] The party and the government hold that one of the best guarantees for a rapid economic recovery and elimination of our country's backwardness consists of realizing precise and detailed short- and long-term plans in the area of social and economic growth. Since the more precise and attentive the economic plans are prepared and realized, accordingly the faster and better our economic growth will be in the long run and as a result, the country's backwardness will be eliminated and a favorable atmosphere for a happy and prosperous life will be restored throughout the nation.

It is based on this fundamental principle of the revolutionary party and the government which place a great significance on the role of precise planning to create a new progressive society that so far some fruitful and beneficial measures have been carried out in the country. And further, it is for the same reason that according to our present needs and requirements in various important economic, social and cultural fields that some fruitful plans have been devised and duly implemented of which we can clearly see the constructive and positive results in our personal social life.

This is a certain fact that as long as planning is not carried out on a scientific basis its implementation will face certain impediments in developing the growth of national economy. As a result of prevailing circumstances in each country the production problems and other issues pertaining to the level of productivity varies, therefore a scientific method of planning attuned to the needs of each nation is deemed to provide the best means for the economic development of the country in question. In those countries where there is a prevalence of exploitation by certain individuals, their economic plans usually revolve around the interests of a handful of self-seeking profiteers; likewise in our own country before the advent of the Sawr revolution, economic planning was both theatrical and demagogic, all the economic plans and programs were devised to fulfill the interests of a handful of exploiters and high and mighties.

Such an unjust and despotic attidute did not allow an economic transformation to take place in our society and caused our country to fall far behind in its development and progress plans.

Fortunately, after the victory of the Sawr revolution, particularly its new and evolutionary stage social and economic plans which were based on scientific

methods were devised and through their implementation long and positive strides were taken in order to meet the needs and interests of the masses. As a result, our production means were put at the disposal of large masses of our society who had suffered from years of serfdom and deprivation, great masses of our people became land owners and as our hard-working farmers acquired the necessary skills to run the agricultural machinery, the level of productivity in the sectors of agriculture and industry took an upward swing both qualitatively and quantitatively. Parallel with the advancement and progress of the country's economy, positive and constructive transformations took place in other areas of our life. For instance, in the government sector some very significant and fruitful economic measures were realized and their worthy results have strengthened the economy of the country.

In a national party conference, Babrak Karmal, general secretary of the PDPA Central Committee and president of the DRA Revolutionary Council stated: "As a result of a projected and gradual increase in the role and significance of the government sector and the economic planning of the country and giving further preference to the government sector, all the economic resources will be utilized in a more complete and effective manner toward general progress, material enhancement of the toiling workers, social development and buttressing of the defensive power of the country." There is no doubt that the growth of the government sector will strengthen the economic foundation of the country's agriculture and industry. It is the most fundamental means and stimulus--of course, based on scientific planning--for production, utilization and correct use of productive equipment and forces.

Following the fundamental and revolutionary policies of the party and the government, scientifically regulated plans were implemented and put into action and despite the undeclared war of the reactionary imperialists against our country through adherence to a progressive economic policy, one the one hand we have been able to thwart the sinister plots of our nation'a enemies and decisively defend the country, the interests of the people and the accomplishments of the revolution, and on the other hand through use of progressive planning we have been able to take long strides in the areas of production, growth and strengthening of our national economy. By dint of such successes we have been able to fight against all the social, economic and cultural disparities and inequalities and lead our country toward a brighter horizon.

As was mentioned above, despite the extensive dimensions of the undeclared war against our country, progress of our society and development of the national economy of the DRA has been positive and assuring. For instance, a comparison of the gross domestic product and the GNP in 1363 [21 March 1984 - 20 March 1985] with those of 1357 [21 March 1978 - 20 March 1979] show a 4.7 percent and 12.9 percent increase. The national revenue from savings and consumption in comparison to 1357 had a 16.5 percent increase and the national revenue from production rose 4.9 percent in comparison to the year before the revolution. In a like fashion, the gross product of the farm sector, forestry and stockbreeding for 1357 was six billion afghanis or a 7.3 percent increase which in 1362 [21 March

1983 - 20 March 1984] this figure stood at 88.1 billion afghanis which indicated 99.5 percent of the projected plan.

As a result of the precise and clear economic plicy of the PDPA, some beneficial steps have been taken toward the implementation of social and economic development plans of the DRA for 1364 [21 March 1985 - 20 March 1986]. Moreover, for further development of the government sector, economic cooperatives, active participation of the private sector, increasing the growth rate of sources of energy such as power and gas, development of light industries, coal industries and activities of government transport sector, making fit and effective decisions in order to refurbish and revive the industrial institutions and power-gnerating projects, irrigation, cultivation and social services, expediting the implementation process of land and water reform, increasing the farm products and export volume many appropriate steps will be taken accordingly. Of course, such successes will only be achieved by virtue of scientifically organized economic plans.

12719
CSO: 4665/19

AFGHANISTAN

VARIOUS VOLUNTEER WORKS PROVE GAINFUL

Kabul ANIS in Dari 24 Oct 85 pp 1, 2

[Text] The Kabul National Fatherland Front Provincial Council for the purpose of attracting the inhabitants to join the NFF, in providing them assistance, cleaning the neighborhood, in carrying out restoration and repairs and improving the quality of life in the region has provided patriotic services.

A relevant source while expressing the above statement also said: The Kabul NFF has assigned eight of its members in pertinent districts to cooperate with the land and water reform operational groups so as to indentify the farmers with little or no land.

Furthermore, 16 other members of the NFF have been introduced to the various distribution commissions of chemical fertilizer, improved crop seeds, pesticides and herbicides in order to help other relevant officials in providing and distributing needed chemical fertilizer and other necessities everyday to the poverty-stricken farmers on easy terms. Until now as a result of the activities of the aforementioned councils 370 land deeds have been distributed among as many farmers' families and similarly 240 have voluntarily applied for help to settle their land disputes.

The source went on to add: During the same period, on the level of Kabul NFF Provincial Council on three different occasions volunteer works have been carried out by over 760 members of the NFF and other social organizations which have brought in an income of 152,000 afghanis for the government and the relevant farmers.

The source also added: During the current year, the Kabul NFF Provincial Council has collected 24 petitions from the inhabitants and forwarded the same to the responsible authorities. And so far five of the above requests consisting of reactivation of the school in the village of Khajeh Chasht, installation and operation of the 200-kilowatt power transformer in Shineh village of Bagrami district, medical care or treatment of the inhabitants of the Qarah Bagh Bazzar village have been answered in positive. It is hoped that through cooperation of all the relevant department all the other requests of the people are met.

The source further stated: During the first six months of the current year, on the level of the Kabul NFF Provincial Council, six family arbitration commissions, four student-parents' commissions and two peace assemblies have been

formed and as a result of assistance provided by the above-stated commissions, with complete regard to the prevailing customs, traditions and rule of logic 14 disputes of the inhabitants have been resolved. Moreover, during the first quarter of the current year the said council in honor of the seventh anniversary of the glorious Sawr revolution, while offering its condolences to the members of the martyrs families, distributed 40,000 afghanis among the aforesaid families. Furthermore, in order to provide aid to the inhabitants of Qarah Bagh Bazzar village which suffered loss and damages inflicted by the counterrevolutionaries the said council distributed six tons of flour, one and a half tons of cooking oil, one and a half tons of sugar, 600 meters of fabrics, 500 bars of soap, and 250 kilograms of tea among the families of this village.

The source also said: As a result of the comprehensive propaganda work and activities of the pertinent groups and their clear understanding of the humanitarian goals of the party and the revolutionary government, 1,370 of the farmers and other toiling workers of various districts of Kabul Province joined the ranks of the NFF, eight persons joined the armed forces voluntarily, and 35 other individuals joined the ranks of the defenders of the revolution.

12719
CSO: 4665/19

AFGHANISTAN

BRIEFS

SOPHISTICATED ARMS STORAGE REPORTED--The Soviet invasion authorities in Afghanistan are engaged in storing sophisticated weapons in Kabul. These arms are being air-lifted from Tashkent, says an Agency Afghan Press report. Disclosing this, the Mujahidin sources said that these weapons are being used in the rural areas of Afghanistan. According to these sources, a few days earlier the Soviet troops killed 140 women and children in Paktia Province while they were migrating to Pakistan. The sophisticated weapons airlifted from Tashkent in Afghanistan contain a long-range 'zaiyov' gun. The Hezb-e Eslami sources have disclosed that this gun was introduced only six months back in the Soviet Union. The cannon of the gun is one foot long and weighs one-and-half kilo,, while it can hit at a distance of 20 kilometers. However, its range can be reduced according to the requirement of the situation. [Text] [Rawalpindi THE PAKISTAN TIMES in English 27 Dec 85 p 5 GF] /12913

GDR-AIDED POWER STATION--Kabul, 31 December, BAKHTAR--The first phase of the power sub-station project north of Kabul has been completed and it was inaugurated today. The project is one of the important projects of the Ministry of Energy of the Democratic Republic of Afghanistan. The construction and assembly works of the project were carried on since two years ago. With the completion of the sub-station, which has a capacity of 80 megawatts, considerable facilities would be provided for the existing sub-stations of Kabul and reliable energy distribution will be ensured for a section of Kabul City. The design of the project has been carried out by the Electro Technic Company of the German Democratic Republic (GDR) and the equipments of the project, worth over 3 million dollars, have been purchased from the credit of the GDR. [Excerpt] [Kabul BAKHTAR in English 0433 GMT 1 Jan 86 LD] /12913

SOVIET-DRA FORCES ATTACKED--Afghan Muslim revolutionaries last week launched an attack on a group of the joint Soviet and Afghan Government forces. The attack resulted in the destruction of a military vehicle belonging to the joint forces and the death of all its occupants. The attack took place in (Zandajan) in Herat. [Text] [Tehran International Service in Arabic 0700 GMT 5 Jan 86 GF] /12913

CSO: 4604/21

IRAN

CORRUPTION, WOMEN'S DRESS, BOMBINGS, DISSIDENT GROUPS DISCUSSED

Tehran ETTELA'AT in Persian 14 Dec 85 p 2

[Text] Shiraz—ETTELA'AT Correspondent—Minister of Intelligence Hojjat ol-Eslam Reyshahri, who came to Shiraz on the invitation of the family of Martyr of the Altar Ayatollah Dastgheyb, gave a press conference.

He began by saying: I have been intending to come to Shiraz ever since I became Minister of Defense, in order to study first-hand the problems of the province and those of the Fars Province General Intelligence Office. Unfortunately, the opportunity did not arise until last week when I was invited by the respected family of Martyr Ayatollah Dastgheyb to participate in a memorial gathering for him. Praise God, in the three days I have been in the province, I have seen most of the judicial and executive officials, the province governor-general, the province municipal governor-general, as well as the Shiraz Friday Imam, which produced good results for me.

Referring to the situation in the Ministry of Intelligence and its forces, he said: Most of this ministry's investments are in committed, sincere, and revolutionary forces, who have gained experience in combatting the counterrevolution since the triumph of the revolution, without serving in the world's intelligence organizations and benefitting from their experience.

He added: These committed forces have created their own experiences and new techniques. I believe that although the intelligence system of the Islamic Republic is a new one, in the short period of its existence it has gained much experience with which to confront the plots of the world's superpowers and intelligence organizations. Of course, the issues connected with this cannot be discussed. The only thing that can be said is that the Ministry of Intelligence has succeeded in making investments to train its specialist cadres, and for this purpose the Ministry of Intelligence will operate an intelligence college. Of course the training system in this college is being designed. God willing, in the next few months the intelligence college training system will be completed and it will begin its work

The Minister of Intelligence discussed the return of mini-group members to the kindly embrace of the Islamic republic. He said: I hope we will be able to present statistics by the end of the year on the repentant members of these mini-groups, but in general it may be said that the return of the mini-groups has been very good this year. Recently, about 2,000 persons attended a seminar for repentant persons from Kordestan. These people have returned in the same way in other provinces.

He said: The Islamic republic treats those who have truly repented and are not doing so for tactical reasons very well. Of course this matter may not have been completely thought through yet, but since we took this responsibility we have been thinking of how to draw repentant persons, and even those who have completed prison terms, back into society so that they will not be compelled to take refuge with the mini-groups.

In this regard we have even anticipated doing something so that those in such situations could find employment in the factories, workplaces, and government offices, where the regulations prevent their acceptance, and thereby honorably serve the Islamic republic. In this connection the government approved a budget, but we have been unable to draw it unfortunately due to difficulties we have encountered.

He noted the enmity of the superpowers and discussed their desperate moves in the United Nations to condemn Iran on human rights issues. He said: Raising the issue of human rights in the United Nations and the recent bombings are part of a series of moves being made by the Human Rights Organization, which is called the Human Rights Organization but which actually supports the rights of imperialists, in response to the fact that the people of Iran have been mobilized to the fronts, and the nation of partisans of God is swarming to the fronts to uproot Saddam's regime. With these steps, the organization wants to condemn Iran, and at the same time the domestic agents of world imperialism are taking a series of steps, and these events have to do with the foreign and domestic policies of world imperialism with regard to the Islamic republic.

He added: In sensitive times, when the Islamic republic is especially active at the fronts, this organization has condemned Iran in defense of human rights and defended Saddam and America, thinking that this weakens Iran's position in the eyes of world public opinion. On the other hand, the domestic agents of world imperialism resort to terrorism and bombings. Of course the Ministry of Intelligence has taken many steps in this area, which, praise God, have been fruitful.

Hojjat ol-Eslam Reyshahri discussed the meetings between the leader of the Mojahedin and the one responsible for the killing of Palestinians in Black September (King Hussein). He said: In order to obtain aid from world imperialism, the Mojahedin feel they need two things; one is proof of their complete loyalty and harmony with the policies of world imperialism, the other is proof of their power and efficiency. On the other hand, the Mojahedin are drowning in the swamp they have fallen into, where they sink deeper every day, and they feel weaker every day. Their methods are becoming more deranged, to the point that one of these deranged methods the Mojahedin are using to prove their complete loyalty and harmony with the policies of the West is the meeting with King Hussein. You know that King Hussein is the symbol of the implementation of Western policies in the area. A meeting with King Hussein represents complete complicity with the policies of America and world imperialism in the area, and this shows that the hypocrites organization is in complete agreement with America's plan for occupied Palestine and the PLO, as well as with the policies of world imperialism with regard to the area's anti-Islamic movements. On the other hand, since the hypocrites organization considers it likely that Saddam's regime will fall, they feel that it must have another base of support, so that even if they have problems in France, they will be able to take their forces to Jordan, and carry out this terrorism in order to prove their power and efficiency and obtain help from them, and soothe themselves with the idea that they can be agents of imperialism in the future.

Fight against Administrative Corruption

Concerning the fight against administrative corruption, the Minister of Intelligence said: The primary responsibility of the Ministry of Intelligence is to stop subversive and spy movements and to deal with them, but the Prime Minister has recently proposed that the Ministry of Intelligence cooperate in the fight against administrative corruption and bribery. God willing, we will also be able to be active in this area, in cooperation with the judicial powers.

Improper Use and Non-Use of the Veil

Concerning improper use and non-use of the veil, he said: In my view the problem of the improper use of the veil has improved now with a set of guidelines issued to the ministry by the Prime Ministries. Veils are no longer improperly worn in the ministries, or the problem has been minimized. Of course, in society and outside the offices, there problems, which I think must be dealt with in a calculated way.

He added: As you know, in one of last week's cabinet meetings, in connection with demonstrations some people were planning in the name of the partisans of God against improper use of the veil, it was announced that in accordance with government policy, such demonstrations must not take place. The people were warned not to heed such urgings, and told that to send a group of people out to harass an individual who is without a veil or is wearing one improperly is no way to confront improper use of the veil. These measures have the effect of weakening the Islamic republic. As the government proclamation said, while the people have been mobilized to the fronts, a mobilization against the improper use of the veil diverts public opinion from the fronts. We think that dealing with the improper use of the veil must be very calculated. According to religious and law and regulations, the government itself is taking the necessary steps.

He added: Our belief is that improper use of the veil is at its origins the work of imperialism, and its current aggravation is also the work of world imperialism. With regard to this, we have some issues we will discuss in detail at the appropriate time. If the improper use of the veil is not dealt with in a calculated way, just as the improper use of the veil is itself inspired by world imperialism, God forbid, it is possible that the very campaign against it could be used to serve the aims of world imperialism.

Bombers Arrested

He discussed the arrest of a number of bombers in West Azarbaijan. He said: I cannot give the number arrested, but they represent various mini-groups such as the hypocrites, the monarchists, the disbanded Democratic party, and others who perceive themselves weakening. These desperate efforts of theirs were simply so that they would be able to extend their parasitic lives a few days and prove their power and efficiency to world imperialism.

At the end of the conference he expressed his appreciation for the Fars Province Intelligence Office, calling it one of the strongest intelligence offices in the country. He said: The efficiency of the Fars Province intelligence office has been greater than that of the country's other province intelligence offices, and, in view of the positions they have had, we will make everything available to them that we can.

Talks Prior to Prayer Sermons

Hojjat ol-Eslam Reyshahri then attended Shiraz's Friday prayer ceremonies and gave a lengthy pre-sermon speech.

He said: I want United Nations members who support human rights to come and see the exhibit on mini-group crimes which has been prepared in Shiraz in order to become more familiar with the acts of those they defend. Are the people who have committed these crimes human? According to their own statistics, these hypocrite criminals have killed up to 15,000 people since the war began. We do not say that the statistics are correct, but these are their claims. They themselves have also issued statistics that from Shahrivar of last year [23 Aug – 22 September 1984] to Shahrivar of this year [23 Aug – 22 September 1985] they have killed 1,500 persons, and this is their own admission. I am not saying that these statistics are correct, but is their own admission sufficient documentation for the United Nations? What should be done with people who do such things? If someone arrests a criminal and he is executed after trial, isn't this respect for human rights? Do these organizations have any goal other than defending the rights of the superpowers?

In another portion of his talk, he said: Just last week, when Iran was condemned by the United Nations General Assembly, the mercenaries of world imperialism set off two bombs in Tehran. Aren't bombers human rights violators? Aren't they to be condemned? You have heard of the crimes they committed at the Tehran Friday prayer. They placed an explosive carpet beneath the feet of ten to 15 persons, whose only crime was participating in the Friday prayer, and detonated it. Aren't these people human rights violators?

He said: Here it is good if I advise the dear worshippers that another two-by-four explosive prayer carpet was discovered at a Friday prayer service in another city by your anonymous brothers in the Ministry of Intelligence, and the plot thwarted. Likewise, these brothers were able to detect 1,513 bombing plots.

He said: Of course, I am not claiming that no one commits violations in the Islamic republic. Naturally, violations also exist, just as they existed in the time of the Prophet of Islam (Peace Be Upon Him) and His Holiness 'Ali (Peace Be Upon Him). The enemies of our Islamic revolution also realize well that this revolution benefits the oppressed, to spread justice, and to make preparations for the arrival of Mehdi (May God Hasten His Joyful Advent). This is a reality that our enemies fear, because it has shaken the capital of the superpowers and endangers their surrogate government.

In conclusion he expressed appreciation for the participation of the Partisans of God of Fars Province in the biggest Karbala caravan.

9310
CSO: 4640/138

COMPANY BANKRUPT AFTER RETURN TO ORIGINAL OWNERS

Tehran KEYHAN in Persian 28 Oct 85 p 18

[Text] The Shokuh Weaving Factory of Esfahan, which was confiscated after the victory of the Islamic Revolution, and returned to the original owners in 1362 [21 March 1983-20 March 1984] was closed by these owners about 7 months ago. This action left the factory's 320 workers with no way of making a living.

This factory, which was managed by the government as of 1358 [21 March 1979-20 March 1980] and which had started turning a profit, was returned by court order to its four original owners in the second half of 1362. Since that time, because of the owners' graft, the bankruptcy and indebtedness of the factory was discussed repeatedly. Seven months ago it actually closed.

The owners of the factory are Mohammad 'Ali, Hossein and 'Ali Labbaf, and the son of a deceased brother of theirs.

In 1355 [21 March 1976-20 March 1977], these men, along with an individual named Ahrabi Hashemi, their previous partner in the factory, pocketed enormous sums by presenting a phony balance sheet. The newspaper ETTELA'AT published a complete description of this corruption in its 17 October 1976 edition. At that time, the court convicted Mohammad and 'Ali Labbaf, in addition to a company auditor named 'Abbas 'Ali Avhadi, under paragraph 258 of the commercial code. After a while the Labbaf brothers bought the factory together. After the victory of the Islamic Revolution in 1979, the original owners left the factory without notice. The factory was run by the government until 1362 when, by court order, it was again turned over to the brothers. Once again, by mismanaging the factory, using more storage space than was needed for parts, borrowing from thread cooperatives, failing to pay the 7 percent insurance fee to the government, obtaining massive loans, etc.; they drove the factory to bankruptcy and closure.

According to available documents, this group currently owes 71.4 million rials to the provincial bank; as well as enormous sums to the electricity and insurance departments. The documents also indicate that they intend to raise additional large sums of money by selling the factory's land, and firing hundreds of workers.

Workers' Statements

In this regard, Mohammad Ebrahim Soleymani Miansal, a member of the Shokuh Factory Workers Council, while presenting impressive evidence that the owners have violated the workers' rights, stated the following in an interview with KEYHAN:

"This factory has been closed from 27 April 1985 until now because of the whim of a group of capitalists. Not a single worker has received a salary during this period eventhough the workers are present on their designated shifts."

He added: "For God's sake, look at the afflicted faces of these old men and women who, after working in this factory for 27 years, are now compelled to find someone who would perhaps, loan them a rial, so that they may obtain sustenance until the end of the month."

He continued: "Through various letters, we have brought our problems to the attention of the Esfahan Governor General's Office, the Ministry of Labor and Social Affairs, The Esfahan Department of Labor, the Ministry of Industry, the Revolutionary Tribunal, and the Majlis. We have told them that the debt burden is breaking our backs. But, unfortunately, until now we have not gotten a positive reply. One time, Mister Nuri and Mister Mo'azi, Esfahan's representatives in the Majlis, even came here. They saw for themselves the conditions at the factory. They obtained 10 million rials from the Loan Fund to pay the workers' salaries. But two months went by, and the salaries had to be paid again."

'Ali Mazru'i, another Shokuh Factory worker, said: "We have suffered patiently for seven months now. We have not committed any possible counterrevolutionary graft, but for how long?"

He added: "Oh Muslim servants of God, come and see. The factory workers make a living by selling their household goods, and they do not say a thing. I swear by God that we have been martyred and that we are afflicted. Look at our faces! Are we fighting the war or is Mr Labbaf? If we do not go into the streets, and do not demonstrate, it is only because of our high esteem for the Islamic Republic. There is no other reason."

Safar Manian, the father of a war casualty, is a 60-year-old worker who worked in the Shokuh Factory for 25 years. This is what he had to say about the factory's recent difficulties: "After our hair has turned white from working 20 years in this factory, and the role we played in the Revolution, we expect the officials to listen to us."

"The Imam said that we are the masters of the Revolution. God knows we are surviving by selling the carpets from under our feet."

Fatemeh Razvani, another worker said: "I have worked in this factory for 12 years, and I am the head of a family. Eventhough I am 54 years old, I have to go and hold out my hand for a loan. Up to now we have managed to stay on our feet by borrowing."

One must keep in mind that the workers are demanding an investigation of their situation. They want the authorities to deal harshly with these kinds of actions.

Statements of Local Officials

'Ali Baba'i, an official of the Political Bureau of the Esfahan Governor General's Office, during a telephone interview, made the following statement regarding the actions of the Governor General's Office in the Shokuh Factory affair:

"Up to now, the Esfahan Governor General's office, by contacting officials in Tehran, and by keeping them up to date, has done everything possible to resolve the problem. But these conditions cannot be solved at provincial level. In as much as various meetings have been held about this important matter, it should be followed up in the capital."

He added: "Nevertheless, so far we have tried to get the factory ready for production through various contacts with the Department of Electricity. We are even keeping the Prime Minister informed about the problems of this factory."

He noted: "The legal system should treat the factory owners with all possible severity, because they owe huge amounts. The latest result, which we obtained through persistent efforts, is that the Ministry of Labor has invested in the factory, and the factory is about to start operating. But what is important is how the owners of the factory are going to be treated, because the root of the problem is their reluctance to operate the factory."

He also said, regarding the factory's debt: "A commission should be formed to settle the factory's debts, and to specify its owners. This is because the factory's debts are beyond the ability of the government to pay, and the owners should pay their own debts."

Mr Farshbaf, the Director General of Labor and Social Affairs of Esfahan Province, in a telephone interview, supported the view of the workers and their actions against the owners for closing the factory. He also demanded an immediate investigation of the factory by officials of the legal system.

According to the latest report from the Shokuh Factory Islamic Council, the wife of one of the workers, named "Malekeh 'Ashuri," overcome by her poverty and inability to pay heavy living expenses, tried to kill herself

the day before yesterday with a poisonous substance. Fortunately, her life was saved after she was taken to the hospital.

According to this report, many workers have experienced family problems because of poverty and failure to receive wages for seven months.

12847/12858
CSO: 4640/121

BRIEFS

CLANDESTINE ON MOHAMMADI-REYSHAHRI--Mohammadi-Reyshahri, minister of information and espionage of the Islamic Republic Regime of Tehran, who claimed yesterday that 60 members of a leftist group in Iran have been arrested, will leave for Europe soon. Concerning the reasons for this trip by the minister of espionage of the regime, our correspondent reports that Mohammadi-Reyshahri will first go to Rome, followed by FRG, Geneva, and London, in order to set up another terrorist network. Mohammadi-Reyshahri will be accompanied by three bodyguards and two advisers. One of the edivsers, by the name of Behzadi, used to live in the GDR. No decision has yet been taken about whether he will be traveling under another name during this trip. Apparently two Hezbollahi students of the regime living in Meinz and Frankfurt in the FRG will be joining this group. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 1630 GMT 3 Jan 86 GF] /12913

CLANDESTINE ON RADIO ATTACKS--The radio of Khomeyni has started retaliatory attacks against the Soviet Union. Since last week, the Voice of the Islamic Republic has been airing political and economic commentaries concerning the unfavorable economic and social conditions in the Soviet Union which, in the opinion of observers, is the start of radio war between the two neighbors and in response to recent crushing commentaries by Moscow Radio against the regime of Mullahs. In the last commentary aired by the radio of Khomeyni's regime three nights ago, the economic situation of the USSR was criticized and the country was referred to as a country close to the level of an undeveloped country. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 1630 GMT 3 Jan 86 GF] /12913

CLANDESTINE ON MILITARY MOVEMENTS--The transportation of military units of the regime along the border with Afghanistan has attracted the attention of foreign diplomats residing in Tehran. Our correspondent, quoting the military attache of a foreign embassy in Tehran, reports that during the past weeks the only complete armored brigade of the Guards Corps, called [name indistinct] from the Mohammad the Prophet Army, and two infantry battalions of the ground forces have been transferred from the Torbat-e Heydariyeh training unit to the border between Iran and Afghanistan. According to this report, the advanced guards of the army,, using military maneuvers in [name indistinct] and [name indistinct] and Ahangran as an excuse, were last week involved in armed

clashes with Afghan soldiers positioned in border posts of that country. The reason for these military operations is still unknown to regional observors in Iran. A member of the Guards Corps mentioned this military movement as a tactical operation. [Text] [(Clandestine) Voice of the Liberation of Iran in Persian 0330 GMT 7 Jan 86 GF] /12913

FADLALLAH URGES RESISTANCE--Beirut, 4 January IRNA--The leader of Friday prayers in southern Beirut, Allamah Mohammad Fadlallah, stressed here Friday the need for an all-out resistance against the Zionist occupiers. Referring to the claims of the Zionist regime on the withdrawal of its forces from Lebanon, Allamah Fadlallah said that it was a plot which indicated a change in the policy of the Zionists in Lebanon. A proof to the falsity of these claims, he added, was that the Zionist regime was shelling all liberated areas. Further on the situation in Lebanon, he said that the Zionist regime was the cause of all problems in Lebanon, adding that peace will be established in Lebanon only through complete defeat of the Zionists. [Text] [Tehran IRNA in English 0900 GMT 4 Jan 86 LD] /12913

SAIRI HEAD URGES MUTINY--Tehran, 5 January IRNA--The head of the Supreme Assembly of the Islamic Revolution of Iraq Hojjat ol-Eslam Mahmoud Hashemi called on the Iraqi Army to mutiny and turn their weapons on the Ba'thist rulers in a fight to achieve freedom and independence of their country. In his message issued on the occasion of the establishment of the Iraqi Army, Hashemi called on the army to join forces with the Iraqi nation fighting against the Ba'thist regime. The message furthermore condemned the Ba'thist rulers brutality against the Muslim forces of the Iraqi Army for their insubordination to Saddam's cruel orders. It called on the Iraqi Army to step up disobedience and rest assured that the Muslim Iraqi nation were with them. [Text] [Tehran IRNA in English 1755 GMT 5 Jan 86 LD] /12913

BANDAR 'ABBAS EXPORT STATISTICS--During the first half of the current year [period beginning 21 March 1985], over 200,000 tons of non-oil products were exported through the port of Bandar 'abbas, an increase of some 70,000 tons over the 12-month period of last year. The products exported include nuts, fruit and other agricultural products of the province. Most of the products were sent to the Persian Gulf emirates, earning a considerable amount of foreign exchange for the Islamic Republic of Iran. [Summary] [Bandar 'abbas Domestic Service in Persian 1500 GMT 7 Jan 86 GF] 12624

CSO: 4640/139

PAKISTAN

CONSEQUENCES OF KHAR'S RETURN TO PAKISTAN DISCUSSED

Lahore NAWA-i-WAQT in Urdu 14 Dec 85 p 1,2

[Article by Sheikh Riaz Pervez: "Khar's Return"]

[Text] Is Ghulam Mustafa Khar, the former governor of Punjab coming back? When is he coming? Has he made an accord with the government? Is he ready to undergo the punishment that different military courts have imposed on him in this absence? These are the questions being asked in the country in general and in Punjab in particular. In his native region of Multan and Dera Ghazi, these have become burning questions. At this moment two of his brothers, Ghulam Mujtaba Khar and Ghulam Murtaza Khar are elected members of the National Assembly, and one brother, Nur Rabbani Khar, is a member of the Provincial Assembly. Ghulam Ghazi is also the elected chairman of the District Council of Muzaffergarh. In the recent nonparty elections, the people gave their votes to these three individuals only because they are the brothers of the self-exiled Ghulam Mustafa Khar, now living in London. These brothers do not admit it though. They even deny any knowledge of whether he expects to be jailed on his return and whether he is returning after making an agreement with the government. Only his fourth brother, Ghulam Miladi Khar is still in the Pakistan People's Party. He refused to take part in the recent elections. The military regime kept him in the New Central Multan Jail for 3 years, 9 months. He is a political follower of his eldest brother.

Ghulam Mustafa Khar says that his two brothers who are members of the National Assembly have betrayed him, while about Ghulam Rabbani (who is a member of the Provincial Assembly) he says that he had to take part in the elections because he was too weak to stand against the other two brothers. Ghulam Mustafa Khar said to the present writer on the telephone, "My brothers have cashed me like a 'blank check,' how will I ever repay the poor voters of the Muzaffergarh District who have done it all for my sake?" He is right to some extent, but we want to refresh his memory by reminding him that during the days when he was the all-powerful governor of Punjab his brother Ghulam Ghazi was not among those who were sharing his power in the district of Muzaffergarh. Ghazi Khar has been a famous hunter, and he started to take part in politics only during the recent years. Mujtaba Khar quarreled with his elder brother and went to London. Mr Bhutto called him back from London because he wanted to use him against Ghulam Mustafa Khar, with whom he was not on good terms in those days.

Only his two brothers, Ghulam Miladi and Ghulam Rehmani enjoyed the time Ghulam Mustafa Khar was in power.

Ghulam Mustafa Khar has been in London for the last 8 years. The military regime, he says, sent him out of the country so that he might bring back the tapes that had been prepared during the dialogues between Bhutto and Mujibur Rehman. He says that he had tried to persuade Mr Bhutto to save himself by leaving the country, but he had refused to do so. He had, however, allowed Khar to save himself by leaving the country.

This is the situation just now: The military court of Bhawalpur has sentenced him to 25 years heavy imprisonment in absentia. Different law courts of Pakistan have awarded him a total of 35 years of heavy imprisonment with the confiscation of all his property. All his property, including his house in Lahore and his lands in Muzaffergarh, have been confiscated, though everything is still in the hands of the Khar family. The Rawalpindi firing case is still in the Sessio court.

Ghulam Mustafa Khar says that he would come to Pakistan at the end of martial law, late in January or in the first for night of February, and face whatever fate awaits him. People who know him intimately say that the reasons for his return are partly political and partly domestic. His children are growing up and he cannot neglect them by staying away from home.

The government circles have made no comments on the news of Mr Khar's return. On the other hand the prime minister has announced that all political prisoners will be released after the end of martial law. But his news has caused a lot of commotion in the ranks of the Pakistan People's Party. Jahangiy Badr, president of the PPP Punjab, has started touring the country, and wherever he goes he gives out that Mr Khar is coming back in order to challenge the leadership of the Bhutto family and that he has made his peace with the government and the martial law authorities. Tikka Khan, the general secretary of the defunct Pakistan People's Party, has declared openly that anybody joining Mr Khar would be deprived of his post in the PPP. He has accused Mr Khar of having a good time in London while the workers and leaders of the party were undergoing trials and imprisonment in the country. Faruq Lighari, the resigning general secretary of the PPP, has refrained from making a public statement, but he is busy organizing party workers in his native town of Dera Ghazi Khan. Mr Khar on the other hand, states that he is returning to Pakistan in order to protect, even at the stake of his own life, the leadership of Miss Benazir Bhutto. On the telephone, he has called all his followers in Punjab to buck up and make the PPP active and effective. Mian Sajid Pervez, Mr Khar's right-hand man and former member of the National Assembly, has said that there had been, during the time of Mr Bhutto, a plot against Mr Khar. Mr Bhutto was given the wrong impression that Mr Khar was trying to usurp his power in Punjab. This plot worked for a while, but soon Mr Bhutto realized that it had been a false accusation. Mian Sajid Pervez says that a similar plot is being hatched now that Mr Khar is returning. But this, too, will fail since Miss Benazir Bhuto has great regard for Mr Khar who she calls "Uncle."

Whether Mr Khar returns to Pakistan or not, the present officers of the PPP have quickened their campaign against him, while his followers in the party have started to hold conventions. Such conventions have taken place in Gujranwala and Shaikhupura. Former provincial minister, of Dalai Camp fame, Chaudhary Irshad Ahmad, has been very active in these conventions. In Sialkot, Chaudhary Mohammad Hanif, and, in Faisalabad, former provincial minister Chaudhary Talib Hussain are also preparing to hold conventions. In Lahore, the provincial treasurer of the party, Sayed Nazim Hussain Shah, Chaudhary Ehsan, Mani Pelwan, student leader Mustansar Billah, Chaudhary Mukhtar and Waliur Rehman have all come out in the arena in favor of Mr Khar against Jahangir Badr and his group.

In Multan Division, former provincial law minister and divisional president of the defunct PPP, Mukhtar Ahmad Awan, Bashir Bhutta, the secretary general of the party for Multan city, Mian Sajid Pervez, general secretary of the liaison committee of the MRD, and Ali Mohammad Bucha, president of the Multan Tehsil, have made arrangements to hold such a convention on 5 January, the birthday of Mr Bhutto. These people stick to Mr Khar despite all the threats from Tikka Khan, the secretary general of the Pakistan People's Party. In the new district of Khanewal, Ahmad Bux, former member of the Provincial Assembly and Sayed Amir Ali Shah, the general secretary of Dera Ghazi Khan divisional party are organizing the workers for this purpose. Malik Miladi Khar is collecting workers to compete with Manzur Ahman Khan, the party president of Muzaffergarh. In the meantime, Jahangir Badr and other anit-Khar people are gathering their forces in both these divisions.

According to the Khar group, the PPP is a party of the people but it needs strong leadership, just as a body needs blood. They say if you take away outstanding persons like Khar in Punjab, Mustafa Jatoi in Sindh, Yahya Bakhtyar in Baluchistan and Aftab Sherpau in the Frontier Province, Miss Benazir Bhutto, the chairman of the Pakistan People's Party, will be deprived of her best helpers. These members of the defunct PPP say that such conventions will bring strength and prestige to the party. These conventions, it is said, should frighten other political parties and the government. Why are other members of the PPP being frightened by them? Those in the Khar group say that there is a vacuum in Punjab where political leadership should be, and Mr Khar is quite capable of filling that gap. The anit-Khar people, on the other hand, say that Mr Khar's rule in Punjab had been a reign of terror. Decent people were insulted, students were dishonored in public, and political leaders and workers had to undergo untold tortures. Mr Khar's cruelty, they say, gave the party a bad name and the chairman had to pay the price with his blood. Party workers will not accept him as their leader.

What will happen when Mr Ghulam Mustafa Khar returns has yet to be seen, but it appears that the present leadership of the Pakistan People's Party will not be able to stand against him.

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- END -

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6 February 1986

Near East/South Asia Report

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REGIONAL AFFAIRS

MAGHREB COLLOQUIUM ON ORGANIZATION, TRANSFER OF INFORMATION

Tunis DIALOGUE in French 25 Nov 85 pp 74-75

[Text] Documentation for the press: the organization, use, and transfer of information is an important subject which was considered by the participants in the Maghrebian colloquium held from 11 to 14 November at the African Center for the Training of Journalists and Communicators. It was organized by the CDN, in collaboration with the ALECSO.

It is not difficult to bring together Maghrebian experts to talk about press documentation and the innumerable problems which this raises. However, on the other hand, what is difficult and even impossible is to prepare resolutions summarizing the work of these experts. However, we must admit, as one of the participants in the colloquium remarked, that we had to fight hard to accomplish that. In any case, the will is there. And the situation is even better than that, if only because the participants, by meeting, have been able to exchange their experiences and their points of view. Furthermore, relationships have been established for a more careful follow-up to this question.

This is because, as we must recognize, press documentation is for the users, whether they are journalists, researchers, or other persons. Documentation is the basis for any objective and worthwhile work which consequently has some value. Nevertheless, press documentation, however useful it may be, raises many problems. These were discussed, both in the papers presented by participants at the colloquium and during the debates, which were considered valuable and instructive.

Four principal lines of activity were broadly studied: the present situation affecting documentation centers in the press and information media and in documentation centers; manual techniques and the new technologies used in press documentation; and the users of press documentation and the tools for Maghrebian cooperation in the area of press documentation.

The Moroccan, Mauretanian, and Algerian statements made at the colloquium made it possible to know the situation affecting press documentation in each one of these countries. Within the framework of the Maghreb as a whole, Morocco is the most advanced country in this respect. In Tunisia, on the other hand, the majority of press organs have no documentation unit. Although some publications have press documentation units, these are non operational, for the most part. Therefore, although documentary techniques are still rather archaic in form, automatized documentation has already made its entry and is on an equal footing throughout the world. These new technologies require the retraining of personnel and the training of specialists. However, none of this is necessary or even useful, if the potential user of the press documentation service remains unaware ofit.

The existence of studies and sociological or psycho-sociological research has not led to the development of healthy and fruitful relations between specialists in the handling of documentation and the users of such services. Certain participants in the colloquium even commented that these relations are often tense and difficult. Why should this be? What are the causes? One of the papers presented sought to define the psychological obstacles which prevented users from making use of press documentation. In effect, the psychological aspect (behavior and motivation) determines any action aimed at promoting access to and use of press documentation.

Every article and all written work, if sufficiently documented, can have reference value. To be convinced of this, it is necessary to be aware of it.

Although it is easy for any journalist to become convinced of the importance of documentary work, it is difficult or even impossible in some cases, on the other hand, to carry out in practice what constitutes an "ideal" for the reporter. Why? Several obstacles, in effect, hamper turning this ideal into a tangible reality: professional inadequacies, the loss of interest and objectivity, the absence of motivation for making use of press documentation, and the lack of organization and resources. These are the more or less objective reasons which, consciously or unconsciously, prevent users from having access to press documentation.

First of all, we should note that there are no specialists in press documentation. The information media which already have the services of a documentation system, or are in the process of obtaining one, often employ unqualified or non operational documentation specialists, since they have no training in the media. As a result of this fact, the pay system applied to this group of documentation specialists is of no interest to the journalists and at times leads to a considerable waste of time and, consequently, has a negative effect on the motivations of the users. Moreover, the journalists are not very well paid. This may result in the journalists having no motive or interest in using documentation services. In this case the loss of interest and objectivity among the journalists creates a very serious problem since it leads to the reverse of what we may generally expect from the press.

The participants in the colloquium agreed that improvements in the pay and conditions for journalists and the establishment around them of a favorable environment are likely to strengthen their morale and give them reasons for thinking of their functions much more seriously. This will naturally lead them to value what they are writing more highly, that is, providing their articles with reference value by regularly making use of press documentation.

For their part the information media devote an insignificant proportion of their budgets to press documentation. There are several reasons for this. In most cases these publications begin a documentation project. After a certain amount of time has passed, they see that it is not being used and, therefore, that it is not profitable. Then they either abandon the project or else leave it half completed, often without trying to find out the cause. There are many reasons why these resources are not used.

Other publications do not even bother to set up the core of a press documentation system because they think, quite simply, that it is up to the journalists to do what they can with the many sources of documentation.

Elsewhere, the absence of any organization of documentation hampers any interest in obtaining access to press documentation. For example, these include the lack of documentation files in publication offices, the fact that existing files cannot be effectively used, the absence of continuous work in this area, the lack of documentary objectivity (that is, reliable files), the lack of a free flow of information between publications, etc.

The participants in the colloquium recognized that the relationship between the documentation specialist and the user must be very good before other, cooperative relationships are established in this area, such as setting up a press documentation network for the Maghreb, although this is necessary and important. According to one of the recommendations made by the colloquium, the various publications should therefore consider providing themselves with documentation units. If that is done, the colloquium will have served a useful purpose.

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ALGERIA

DECENTRALIZATION OF BANKING SYSTEM, NEW APPOINTMENTS

Relations Between Banks, Enterprises

Algiers EL MOUDJAHID in French 12 Nov 85 Economie pp I-II

[Text] The banks have long since decentralized the handling of operations entrusted to them by economic operators. Out of the same concern for better rapprochement with the latter, the banks have also decentralized the financing of enterprises and the management of their foreign trade operations.

That process has often been accompanied by the establishment of bank branches within the enterprises themselves.

Despite that, the enterprises are continuing to talk about an absence of decentralization in the banking sector. Actually, their criticism is concerned essentially with three basic points: the application of foreign exchange controls, the procedure for financing business operations, and control of investment spending.

The situation has often caused a lack of understanding between the banks, which are responsible for seeing that the rules are enforced, and the enterprises, which are concerned to improve their performance.

Foreign Exchange Control

Until 1 January 1985, which is when Decisions No 19 and No 20 took effect and, among other things, made the directors of financial coordination responsible for issuing transfer authorizations in connection with foreign contracts, those authorizations had been issued, in the case of government departments and local communities, by the Directorate for Foreign Exchange Control in the Ministry of Finance and, in the case of national and local enterprises, by the banks. In the case of the banks, contracts were examined by central departments, which also issued the related transfer authorizations through special departments, while their financial management had already been entrusted to the bank branches for years.

Centralized decisionmaking was explained in part by the fact that it was necessary to separate decisionmaking and management, since the bank branch

ought not to be both "judge and judged," and also by the lack of training on the part of personnel.

That centralization did not sit well with the state's economic operators, who regarded the situation as bureaucrati in that every time there was a problem, they were obliged to travel to the capital to provide explanations or the necessary documents for examination of their contracts. This was as true of the banks as it was of the Ministry of Finance.

In the case of the banks, the criticism has grown stronger with the organic restructuring of enterprises, which is resulting in a distribution throughout the national territory of decisionmaking centers in national enterprises.

As long as the enterprises were headquartered in Algiers, they saw no drawbacks to dealing with departments at bank headquarters. But as soon as the headquarters of enterprises were moved into the country's interior, criticism of the banks increased, although without being clear.

For example, officials in decentralized enterprises sometimes feel that at the bank branches they have no valid interlocutors capable of solving their problems, and sometimes they feel that the delays in getting a decision are the cause of blockages harmful to their development.

What the enterprises actually wanted was the possibility of having decisions related to foreign exchange controls made locally. The same was desired by local authorities, not only for themselves but also for the enterprises under their supervision.

Decisions No 19 and No 20 were issued to satisfy that desire and should remove the grounds for criticism by the state's economic operators concerning the lack of decentralization in banking and the administration of finance, since they oblige the banks to transfer the examination of contracts to their branches at the governorate level, and authorizations are now issued by the director of financial coordination in most cases.

But that decentralization is bound to cause a number of problems that may work against vigilant foreign exchange control.

In the first place, there is the lack of trained personnel for that purpose. Some bank branches, notably those in the new governorates, had never previously even had to manage foreign contracts.

Personnel training has already begun, but it will certainly be inadequate, at least in the beginning, considering the variety of contracts to be examined. It is to be hoped that experience will do the rest.

In the second place, there will be the problem of securing uniformity in the examination of dossiers. Identical contracts examined in two different bank branches may give rise to different comments.

Lastly, the neutrality of the financial departments (bank branches and DFC's) is likely to be demolished, especially when it is a matter of examining and authorizing contracts by local state enterprises and enterprises run by local governments.

Financing Business Operations

While the problem of decentralized foreign exchange controls can be regarded as solved, the problems being posed at the banking level by the financing of enterprise operations remain in their entirety, and they have become more complicated by the assumption of responsibility for settling unpaid receivables and by the dissolution of enterprises.

By way of example, the People's Credit Bank of Algeria decided in 1983 to delegate to its branches the financing of operations by state-owned enterprises. That delegation of responsibility allows a branch to grant to any enterprise that is not in deficit an overdraft amounting to as much as its quarterly turnover. It is agreed that to benefit from that facility, the enterprise must submit the prescribed documentation in September--that is, its balance sheet, cost distribution or production plan, and financing plan (Decree No 70-75 dated 5 June 1970).

Those documents enable the branch to make a financial analysis of the enterprise and set the amount of operating credits to be granted to it during the fiscal period in question.

Credit authorization must therefore be granted in advance. If the enterprise is in deficit or if its credit requirements exceed its quarterly turnover, the decision is made at the unit or headquarters level based on the seriousness of the situation.

Here again, the enterprises feel that decisionmaking is still centralized, that they have no valid interlocutors at the branch level, and so on.

As a matter of fact, the problem raised by the enterprises goes deeper and is not completely groundless.

The reason is that while the decision reached by the branch or head office is as objective as possible in terms of the documents submitted by the enterprise and of financial orthodoxy, it is nevertheless rigid because it makes no allowance from the start for all possible contingencies. As a result, it leads to requests for revision throughout the year, and they constitute the real problem as regards financing in that they are often submitted after the branch has refused to go beyond what is authorized by the credit authority delegated to it and is waiting for a decision which must come from farther up the line.

Meanwhile, the branch refuses to honor the enterprise's payments except in the case of payroll, which is guaranteed regardless of the balance in the account in order to avoid social problems.

That blockage of funds is a serious act requiring that the enterprise begin by using the materials it has in inventory and then to continue meeting its payroll while waiting to obtain the credits necessary to procure more supplies.

And so it winds up in an endless spiral:

No turnover means no credit, which means no supplies, which means no turnover, and so on. And none of this prevents the increase in its overdraft and its deficit, if there is one, from growing worse, if only because of its payroll. But payroll is not always the only factor responsible for the situation.

Collecting taxes and unpaid receivables through the automatic debiting system helps to worsen the position of many enterprises that are already in a tight cash situation. Moreover, the collection of unpaid receivables has made the enterprises' operating accounts carry the burden of investment expenditures whose payment was previously rejected by the branch because unparticularized investments were involved.

So whatever degree of decentralization is achieved by the banks, prior financial analysis is bound to result in a freezing of the enterprise's spending by the bank at one time or another, and criticism of the financial sector will continue, whereas the latter is not at all responsible for the poor results achieved by some enterprises. Today the financial sector interferes with those results in a way, since by paying wages but not paying for supplies, it helps to increase an enterprise's costs with nothing being provided in return.

As a consequence, the procedure ought to be revised to permit financing of an enterprise's operations at the request of the latter on the basis of the documents provided, it being understood that the enterprise can only finance expenditures related to its operation.

The analysis of each enterprise's financial situation would then occur at the end of the fiscal period when the balance sheets are turned in. The results of that analysis should be submitted to the authorities concerned, who would then have to adopt the appropriate financial measures (financial restructuring, subsidies, and so on) or suitable legal measures (dissolution, transfer to another enterprise, and so on).

But if the forward-looking documentation as submitted shows signs of imbalance in the enterprise's financial situation, that documentation should be forwarded to the authorities concerned without delay.

In the interval, each supervising ministry will be kept regularly informed of changes in the operating credits granted to its enterprises.

Financially, such a procedure will not cost each bank any more than at present. On the contrary, its merit is that it will make each enterprise bear the cost of its own line of credit and, for example, prevent the situation in which, because of the amounts due it from other enterprises, an enterprise is

penalized by having to use credits from its own bank and paying financial costs which in fact are not its responsibility.

Secondly, that procedure will keep unpaid receivables from accumulating for no reason after stabilization efforts have begun.

Thirdly, the deficits in certain enterprises will not be in danger of growing larger due to the limitation on payments.

Psychologically, banks will no longer set themselves up as critics of the enterprises. Relations between bank and enterprise can only be facilitated as a result, and the tensions that might have existed will fade away by themselves.

Parallel with the financing of business operations, there is the problem of controlling expenditures relative to unplanned investments. Until now, the banks have ruled out all expenditures of that kind by refusing to honor payment.

But by the time payment is ordered, the equipment goods have already been acquired and are being used by the enterprise.

Control of Investment Spending

The bank's failure to pay for the goods in question automatically creates an outstanding receivable for the enterprise that sold the goods.

Here again, the criticisms by the enterprises are not groundless. In fact, prior control of expenditure has only complicated matters in that the banks may be partly responsible for "pirate" investments, whereas the responsibility of enterprise administrators, who are required to follow regulations, is total.

What we have been talking about is the procurement of equipment goods, and how can there be financial control over what an enterprise does on its own except after the fact?

Lastly, the control exercised by the bank has the ultimate effect of punishing the selling enterprise, which will have to bear the financial cost incurred as a result of the additional credit granted to it by its bank and may also have its operating credits frozen if changes are not made in this area.

Consequently, the responsibility for carrying out "pirate" investments must be assumed by the one actually responsible, who must be answerable to the authorities concerned.

That is why, on the basis of experience, it is sensible to revise certain procedures to allow the banking sector to play its full role as financial middleman in this important stage of the country's economic development.

Role of Computerization

Algiers EL MOUDJAHID in French 12 Nov 85 Economie pp I-II

[Text] It seems almost trite today to say that data processing and banking are destined to get along well together. But the reasons for such a statement deserve explanation.

Data processing is defined as the science of the rational and automatic handling of information. The term "automatic" implies the possibility of using machines to process a great quantity of information.

And the chief tasks of a bank consist precisely of managing and processing a considerable volume of information, even though, as far as the general public is concerned, the role of commercial banks is perceived essentially through the teller department. But that department actually constitutes only the tip of the iceberg. A bank handles the accounts of thousands of customers, and every day those customers order innumerable operations of all kinds (cash deposits and withdrawals, over-the-counter exchange, transfers ordered and received, loans and repayments, repatriation of funds, interbank traffic, and so on).

Added to those traditional banking activities, in the case of Algerian banks, are special tasks arising from our country's economic-financial organization:

1. Domiciling imports and exports and following them up to their financial conclusion within the framework of foreign exchange controls.

2. Following up foreign contracts.

3. Following up and controlling imports covered by AGI's (overall import authorizations).

4. Following up and controlling charges to credits for planned investments.

5. Supplying the authorities with various statistics and so on.

Standing at the crossroads of all economic and financial operations, banks manage a sizable and constantly increasing volume of information that must be recorded, indexed, sorted, classified, filed, and also frequently consulted. With the development of banking, the files containing those data have become bulkier and more diversified.

Handling that information by traditional methods--that is, filing it in the form of paper records, with manual access--has become difficult and costly because of the time and effort required.

Moreover, current needs are concerned not only with the information itself but also with quick access to it. It does no good to have well-kept files if the information they contain cannot be retrieved quickly enough to keep up with daily needs.

This is precisely where the contribution made by data processing turns out to be irreplaceable, since modern computers are capable of storing very large quantities of information on magnetic disks, where it is quickly and easily accessible. Moreover, storing information in the form of a data base enables users to be selective in extracting only the information they are interested in, either selecting it visually or by entering several criteria determined by their needs. For example, it is possible to extract from a personnel file the names of all male employees over 30 years of age who live in the commune of Hussein-Dey and are employed as tellers.

The banks very quickly saw the value of data processing, and computer manufacturers, aware for their part of the sizable market represented by the banks, have been constantly alert to the needs of that sector.

The result is that over the past two decades, the organization of banks throughout the world has undergone successive changes as manufacturers have come on the market with new series of data processing equipment.

Let us recall briefly the various types of organization that have appeared in succession:

1. The so-called "double statement" system, in which the branches keep records of their customer accounts on statement cards and send their data to the head office computer, where a second, computerized record is maintained.

2. The so-called "centralized statement" system, in which statement cards at the branches are eliminated, the bank's records being maintained instead by a computer at a central location. Information is exchanged between the central location and the branches every day by teletransmission. This type of organization was made possible only by the development of data transmission networks using telephone or telex and the associated equipment and software (adapters, modems, concentrators, symposiums on data transmission, and so on).

3. The so-called "regionalized statement" system, which is also characterized by the elimination of statement cards at the branches but in which, unlike the preceding system, local records are transferred to several regional centers, where they are maintained by computer.

This system shows the determination by banks to decentralize even though the manufacturers persist in offering only large computers.

4. The so-called "distributed data processing" system, in which each branch manages its own records locally. In this case, however, the records are no longer kept manually on paper but automatically using minicomputers or microcomputers whose size can be adapted to the branch's requirements.

The financial sector's master plan for data processing development is aimed at introducing the last-named type of organization into the banks. The advantage of the distributed data processing system, made possible by the development of microcomputing, is that it reconciles management needs with cost constraints and the need to decentralize in accordance with the government's wishes.

Compared to the development of banking in the rest of the world, Algerian banks will have the advantage of being able to skip the two intermediate stages mentioned above.

A start has been made on actually implementing this system of organization in Algeria.

The experiment with a computerized branch that is now being carried out by the People's Credit Bank of Algeria at its Emir El Khettabi branch is proving to be very encouraging despite a few startup difficulties that are inevitable in this kind of undertaking. Most of the problems encountered have now been solved without foreign assistance thanks to the efforts of local computer personnel and operators. This is a point that needs to be emphasized, given the complexity of the task. The system is now being put into general use.

The advantages of widespread computer use in bank branches are many:

1. A gain in productivity.

2. Improvements in the quality of customer service.

3. Better bank management as a result of:

a) More reliable information.

b) Quicker access to information.

c) Access to a wider range of information.

Furthermore, the generalized use of data processing in the banking system will open the door to modern procedures for interbank traffic. It will be possible to clear checks, transfers, and bills between banks by exchanging magnetic media (tapes, disks, and diskettes), thus saving each bank the expense of reentering data on the securities exchanged.

Traffic between the banks and their computerized customers can take place in the same way. For example, it would be very advantageous to process a large state-owned enterprise's payroll on magnetic tape rather than by keypunching a list of wages to be credited to the various accounts.

One could even contemplate installing automatic cash dispensers on an enterprise's premises. These would be connected on-line to the bank, and the wage earners could then withdraw their pay without having to go to the bank.

The final stage of banking development as described in trade magazines in the West would be "home banking." Under that system, any bank customer with a telephone and an appropriate keyboard and monitor connected to the bank could initiate a large number of banking operations without leaving his home.

This is not at all utopian. It is within the realm of the possible, but a lot remains to be done first.

As far as our country is concerned, it should be emphasized that favorable developments in the organization, circulation, and processing of information by banks (and not only them) is still largely dependent on the development of data transmission by telephone, which is still at an embryonic stage. It remains to hope that the organizations concerned will behave as promoters in this field, where the expressed or latent needs are very sizable.

People's Credit Bank

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p II

[Text] The resumption of activity by the people's banks of Algiers, Oran, Constantine, and Annaba and the People's Central Credit Fund of Algeria was reflected in the establishment of the People's Credit Bank of Algeria, whose founding dates back to 29 December 1966.

Its establishment followed that of the National Bank of Algeria, which had opened at the start of the same year, and it came into being in response to the need to strengthen and consolidate the economic system by setting up financial organizations capable of promoting the full development and expansion of enterprises in the public and socialist sector.

Just as it was supposed to build up experience in its field, so the People's Credit Bank of Algeria was intended to replace the foreign banks still present in Algeria in two areas: the attraction of funds and, more particularly, the financing of the public sector, which it was urgent to take responsibility for on the eve of the 3-year plan.

It was out of the same concern that the People's Credit Bank of Algeria also absorbed the Algerian activities of the following foreign banks and establishments:

The Marseilles Credit Company (SMC).

The CFCB.

The MISR Bank.

The Arab People's Bank.

The DIAC.

Under its bylaws, the People's Credit Bank of Algeria is responsible in particular for financing and promoting the activities and development of crafts, the hotel trade, tourism, fishing, and related activities as well as nonagricultural cooperatives for production, distribution, marketing, and services and small and medium-sized enterprises of all kinds, including, as an exception, those belonging to the self-managed sector.

In practice, however, the specialized character of Algerian banks largely disappeared.

The public sector quickly lost its special status to become a customer like any other, obeying the same rules regarding domiciliation and access to credit as the private sector.

It was not until the finance law of 1970 was passed that the principle of sole domiciliation at a single bank was adopted.

Since then, the People's Credit Bank of Algeria has assumed responsibility for the financing and followup of many sectors of activity, among which we can mention the following:

Housing and construction.

Public works.

Water resources.

Tourism and culture.

Fisheries.

Trade.

Handicrafts.

SONIPEC [National Leather and Hides Industries Company] in the field of light industry. Light industry now includes the sector of local public enterprises, which have become preponderant and have constituted a focus of the policy for the country's development.

In the private sector, the People's Credit Bank of Algeria has been entrusted with operations for financing the special credits for war veterans and their beneficiaries, fishermen, bakers, and so on.

To manage efficiently the mission entrusted to it, the People's Credit Bank of Algeria has been working for a long time to expand its operating network.

The original objective, which was to establish the presence of the People's Credit Bank of Algeria in all the governorates, was very quickly surpassed, since the number of branches rose from 20 in 1966 to 63 in 1976.

On 30 June 1985, the CPA [People's Credit Bank of Algeria] network consisted of 114 local offices scattered throughout the national territory.

In April 1985, the effect of the decision to establish the Local Development Bank as a split-off from the CPA was to transfer the local public enterprises and part of the CPA's network to the new bank. This left the CPA with only 78 branches.

But the transfer of local public enterprises to the Local Development Bank and the scheduled transfer of certain enterprises to other sectors domiciled with

other banks as a result of the reorganization of the national economy should result in a new redistribution of enterprises among the primary banks.

Only then, and on the basis of the new configuration of state clientele assigned to the People's Credit Bank of Algeria, will the program for the opening of new branches be reviewed.

It should also be noted that parallel with the expansion of its network, the bank increased the number of its employees from 454 on 1 January 1967 to 2,630 on 30 September 1985.

Algerian Foreign Bank

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by Mohamed Refik Idri, deputy director general of the Algerian Foreign Bank]

[Text] As part of the implementation of the economic policy set forth in recommendations and resolutions by the authorities, the Algerian Foreign Bank was obliged to:

1. Continue its effort to attract funds.

2. Develop the use of banks by households, primarily by concentrating on wage earners employed by the state-owned enterprises which are its customers.

3. Set up ways of providing suitable and justified assistance to ensure the normal operation of enterprises in the public sector.

4. Help finance the activities of customers in the private sector, with preference being given to production sectors.

Efforts to Attract Funds

The effort to attract funds continues without letup. This is one of the Algerian Foreign Bank's priority objectives because of its direct impact on the country's major financial equilibriums. The bank considers that by making that effort, it is helping to reduce the creation of money and thereby participating in the fight against inflation.

The result is that the bank's resources rose from 9 billion dinars in 1980 to 36 billion dinars at the end of 1984.

That notable increase in the bank's financial potentialities was the result of sustained efforts directed at commercial customers in the private sector. It was also the result of intervention by the Public Treasury, which, in connection with the financial restructuring of state-owned enterprises, was obliged to credit the accounts of state-owned enterprises that had been subject to financial restructuring.

By seeking to step up its mobilization of funds, therefore, the bank is contributing to the efforts being made elsewhere to achieve the objectives established through the national development plans.

Developing the Use of Banks

Developing the use of banks by households is considered a powerful means of mobilizing funds and regulating the economy, and it has constituted another important activity for which all the bank's structures are responsible.

The result is that the number of deposit accounts rose from about 113,000 in 1980 to 167,000 at the end of fiscal 1984. It should also be noted that in terms of the bank's total resources, the share represented by individuals is rising steadily. Plans call for pursuing even more aggressively the use of banks by individuals, who will be offered services that are more diversified and of higher quality, examples being monthly statements, the domiciliation of expenditures, new products such as guaranteed checking accounts, and so on.

In addition, the opening of bank branches on industrial sites will make it possible to improve those results since it will be possible to open an account for every wage earner in the surrounding economic units.

As was emphasized above, contributing to increased national savings and participating in a greater mobilization of the country's financial resources are two recommendations by the party's central authorities, and they remain constant objectives of the bank.

Intervention To Help Public Sector

Intervention on behalf of the public sector remains the main mission of banks. In this respect, the Algerian Foreign Bank's activity has been "intimately" linked to the country's efforts for development and production through its participation in the financing of sectors considered strategic:

1. Hydrocarbons (SONATRACH and NAFTAL).

2. Chemicals and petrochemicals (ENIP, ASMIDAL, and SNIC).

3. Steelmaking (notably SIDER).

4. Ocean shipping (SNTM-CNAN and SNTM-HYPROC).

5. The construction industry and building materials.

In this connection, the bank has participated in and continues to provide assistance for the carrying out of important development projects, examples being the following:

1. Hydrocarbon research, production, and transportation (the Hassi Messaoud and Hasni R'Mel fields and oil and gas pipelines).

2. Refining (the refineries in Skikda and Arzew).

3. Gas liquefaction (the complexes in Skikda and Arzew).

4. The production of plastics and fertilizers (the complexes in Skikda, Arzew, Annaba, and Setif).

5. The construction of cement plants (Chlef, Hadjar, Soud, and elsewhere).

6. The acquisition of ships to carry petroleum, gas, freight, and passengers.

That participation in the carrying out of projects has taken various forms:

1. Studies in cooperation with all the organizations concerned (the Ministries of Planning and National Development and Finance and the BAD [Algerian Development Bank] to provide a better financing structure for the project.

2. Assistance and advice for the enterprise during negotiations with foreign suppliers and/or bankers for foreign financing.

3. The search for foreign assistance on international financial markets on the best terms.

4. Making the bank's windows available to companies for arranging the necessary assistance and carrying out payment operations.

That contribution by the Algerian Foreign Bank to the setting up of those economic units would be incomplete, however, if it stopped at that stage of their lives. The bank therefore continues to provide assistance for their operation so that the investment made will become an active contributor to economic life by producing goods or services. It therefore supports the production unit by providing it with the necessary credits as the cadence picks up and later meeting its financing requirements in connection with its operating cycle.

In figures, it will be recalled that short-term credits benefiting the public sector rose from 23.7 billion dinars at the end of 1981 to 36.8 billion dinars at the end of 1984. That increase in loans was the result in particular of the startup or increased pace of production at many industrial or commercial units belonging to companies that are the Algerian Foreign Bank's customers.

Contribution to Private Sector

The bank's contribution to ensuring a better insertion of the national private sector into the country's development process, as recommended by the Central Committee during its work in connection with that sector, is made chiefly in the form of partial financing for activities considered sound and profitable to the national economy.

In this respect, it is worthwhile to emphasize that the bank has established new internal procedures that will enable approved private investors to benefit

from the financial advantages provided by Law No 82-11 relative to national private economic development.

The table below [not included in the original] shows how cash credits and signature credits used by enterprises in the private sector, broken down by type of activity, have evolved since 1983.

Those figures show that loans granted to enterprises in the private sector have remained modest in comparison with those distributed to the public sector.

Moreover, the bank's branches have been made responsible for developing jobs to benefit the private sector and, in particular, for taking an interest in, following up on, and "canvassing" the new enterprises established as a result of the new provisions of the law as regards private investment.

The objectives established within that framework make it possible to take into account the financing requirements of enterprises whose projects and activities fall within the scope of the priorities, objectives, and forecasts of the national development plan.

Those are, briefly stated, the activities engaged in by the bank to produce its results. The results reflect the definite and sizable development noted in the bank's various departments. Their achievement and even their "overachievement" have been possible because the bank has undertaken to:

1. Increase the effectiveness of intervention by its various structures.

2. Improve the quality of the services it offers its customers.

3. Make the operations of all its structures more flexible.

4. Develop as close a relationship as possible with its customers in the public sector.

Algerian Foreign Bank: Efficiency

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by Reda Smahi, director of organization]

[Text] Decentralization, modernization, and improved know-how: that is how one could sum up the Algerian Foreign Bank's strategy, implementation of which in recent years has made it possible to record encouraging results.

Decentralized Decisionmaking

As early as 1981, the Algerian Foreign Bank began a progressive redeployment of its branch activities with the basic objective of defining the needs and concerns of its customers as accurately as possible so as to respond to them as quickly as possible.

The significant expansion in the powers and responsibilities of the Algerian Foreign Bank's branches, accompanied by a qualitative strengthening of their human potential, has enabled each of them to take full charge of the banking aspects of the following activities:

1. The processing, followup, and settlement involved in domestic operations (withdrawals, deposits, transfers, remittance of checks for collection, the discounting of checks or securities, and so on).

2. The initiation, processing, and local management of foreign trade operations, the followup of AGI's, the domiciliation of transactions and contracts, the opening and management of documentary credit, the processing of documentary remittances, the processing of transfer orders, and so on.

In this connection, we should note that it is in the field of foreign trade that the Algerian Foreign Bank has opted resolutely for an optimum degree of decentralization. That decentralization goes so far that branches have been allowed to open documentary credits since January 1985.

That "innovation," which required a reorganization of procedures, advanced training for branch staff, and new channels of circulation, has already had a sizable impact on the time required to process import and export operations carried out by customers.

3. The establishment and management of lines of credit on behalf of industrial and commercial units in the public sector, which are increasingly establishing contractual ties with the bank's branches.

4. The granting of credit to the national private sector--enterprises, the liberal professions, craftsmen, and so on--thanks to the broad delegation of power to branch managers.

Branches operate as autonomous units within the limits of prescribed operating and investment budgets and take direct action to obtain their own means of operation. On the basis of activity forecasts negotiated with the head office, the branches also take the necessary steps to achieve the objectives chosen with respect to profitability, operating results, and productivity.

Modern and More Numerous Branches

The result is that today, the Algerian Foreign Bank presents itself as a markedly decentralized establishment located very close to centers of activity. This system of decentralized activity is supported by the efforts made to strengthen and modernize the network of branches.

The Algerian Foreign Bank's network of branches for welcoming its customers has grown steadily. It has more than doubled in the space of 5 years, with the number of branches increasing from 26 to 55, 8 of which have been set up at important industrial sites (El Hadjar, Annaba, Hassi Messaoud, Skikda, Arzew, Chlef, and so on).

On this subject, it is important to recall that the initiative taken by the Algerian Foreign Bank in 1983 in opening bank branches actually within the country's major industrial centers has had convincing results and made it possible to give a new dimension to the bank's relations with its customers in the public sector.

The program for expanding the Algerian Foreign Bank's network will proceed at a faster pace in coming years than it did in the preceding period thanks to the experience acquired and the planned standardization. The modular system involved will make it possible to adapt those branches to the economic environment in which they will be called upon to operate.

Special attention will be paid to fitting out the Algerian Foreign Bank's branches to increase their functionalism and gradually turn them into privileged meeting places for the bank and its customers.

To accomplish that, the branches are being supplied with better and better equipment. For instance, there are plans to equip all the branches with multistation and multifunction microcomputers. Thanks to that equipment and the possibilities it offers, the Algerian Foreign Bank's branches will gradually begin the real-time processing of most domestic operations: withdrawals, deposits, transfers, and so on.

This new method of operation and the improved services it provides are already a reality at a number of branches in Algiers.

The numerous and varied activities are being accompanied by a reorganization of the bank's structure.

All departments have been studied, and changes have been introduced at the central, regional, and local levels. Special thought was given to the organization of the bank's branches to provide them with the best conditions for handling decentralization successfully.

Modernization of the bank and managerial control are also being achieved through the "system of budgetary and managerial control" adopted by the Algerian Foreign Bank.

That system has made it possible to:

1. Introduce forecasting into the management of funds and the use of resources.

2. Ensure awareness and mastery of operating costs.

3. Stimulate increased productivity and improved performance.

Improved Know-How

The Algerian Foreign Bank has been able to process a constantly growing number of banking transactions in conditions that have sometimes been difficult. In

1980, for example, the bank's branches processed about 4 million banking transactions involving both dinars and foreign exchange. In 1985, according to forecasts in preparation for the closing, that figure will be on the order of 9 million transactions.

That increase in volume will continue in coming years, and it will probably be absorbed without too much difficulty thanks to the installation of automatic processing equipment in the branches.

Even better, the Algerian Foreign Bank's branches are expected to show noticeable improvement in the quality of their services. Installation of the network of microcomputers also reflected a concern to facilitate the work of tellers and make them more available for greeting, informing, and even chatting with the customers.

In fact, what the bank is seeking to do at present is to lead all structures in the bank to assume increasingly the functions of consultation and assistance and to become the financial partner of the nation's economic sectors.

In that respect, it is important to emphasize the efforts made by the Algerian Foreign Bank to establish a new type of relationship with its customers in both the public and the private sector. In 1984 alone, for example, the bank organized several periodic meetings with its principal customers in the public sector and sponsored about 50 seminars. The latter were held throughout the country, with some being held on industrial sites.

This new approach to the examination of dossiers particularized by "unit" or "project" and in direct cooperation with the customer in the field has unquestionably made it possible to improve the efficiency of the bank's intervention and--something new--to increase the spread of information as well as its expanded and shared interpretation.

With respect to its customers in the private sector, and on its own initiative, the Algerian Foreign Bank has held several working and information meetings in various regions of the country. On those occasions and on the basis of specific cases, the bank familiarized itself with the main concerns of its customers in the private sector. In exchange, it informed its partners of the opportunities offered by the new provisions relative to investment by the national private sector and of the bank's decentralized mode of intervention.

Those meetings and discussions--rich, productive, and very useful--are greatly appreciated by the bank and by its customers.

This constant will to draw closer to the customer to offer him traditional but greatly improved banking services also relies on a policy for new banking products.

Examples are the guaranteed checking service, thanks to which the beneficiary is certain of being able to cash his check at any branch of the Algerian

Foreign Bank, and accounts in foreign currencies available to nationals who reside or have resided abroad.

Preparations for other products and/or improvements based essentially on optimal use of the microcomputers located in the branches are also underway. Some examples are automatic over-the-counter changing of foreign currency, instantaneous information on account balances, the supplying within a very short time of a simplified account statement, and so on.

The installation of computer terminals at the facilities of a certain number of customers is also under study.

The Algerian Foreign Bank is also turning its attention abroad in its efforts to improve its services and relationships, all the more since that international calling is expressly provided for in its bylaws.

It is stipulated in several articles that the Algerian Foreign Bank's mission is to develop economic and trade relations with other countries, provide its backing and guarantee as a means of promoting trade transactions with foreign partners, and participate in any credit insurance system or institution concerned with foreign operations.

The Algerian Foreign Bank is getting better and better at answering that call to be an international bank, all the more since a very sizable share of the country's foreign trade passes--financially--through its till owing to the fact that Algeria's main exporters--SONATRACH in particular--are domiciled at the Algerian Foreign Bank.

In addition, the Algerian Foreign Bank offers services through its specialized departments to exporters in the public and private sectors. Two of those departments are already in operation: the Central Department for Foreign Trade Information and the Department for the Promotion of Foreign Trade Operations.

The vast network of foreign banks with which the Algerian Foreign Bank maintains close relations and its own subsidiaries make that institution an effective support for the promotion and diversification of our exports.

The Algerian Foreign Bank mobilizes sizable human and material resources to strengthen that calling and to provide know-how and support for exporters.

Operations by the Algerian Foreign Bank in international financial markets to set up Eurocurrency loans have been positive and greatly appreciated.

For 1985, for example, the Algerian Foreign Bank has set up two technically advanced operations at advantageous rates and terms.

The first was a compulsory floating-rate issue totaling $500 million. That is an exceptional amount for an issue of this type.

The second such operation was a financial loan in Japanese yen totaling 50 billion yen.

It is important to point out that the margins required by lenders have been dropping steadily and coming closer to the conditions imposed on developed countries. This is also a sign of the Algerian economy's good health.

Those, succintly stated, are the achievements of a financial institution that is developing and changing. The results achieved are due to efforts by the men who constitute this establishment's great asset. They are ready to put forth more efforts, to show more imagination, and to act with more determination because the context demands it and the future requires it.

Algerian Foreign Bank: Training

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p III

[Article by M. R. I.]

[Text] The transformations brought about not only by the growth of the economy but also by foreign models and technological progress require constant adaptation by the bank to the context in which it operates.

In that respect, the Algerian Foreign Bank has drawn the proper conclusions as far as decentralization and restructuring are concerned. It has also substantially increased its surface area to increase its capacity. Those adaptations, which are concerned with the overall means to be utilized, also require a special approach as regards personnel. Personnel training has therefore been regarded as the privileged instrument making it possible to give the bank's employees the opportunity to meet the new requirements and enabling the bank to assign new employees to their jobs under good conditions.

While external assistance has been utilized in its training program, the fact remains that the Algerian Foreign Bank has made training a concern of its own departments.

External Training

Like other banks, the Algerian Foreign Bank has constantly encouraged its personnel to take advantage of the technical banking education offered by the existing specialized centers and institutes. Its concern has been to provide and increase not only general training in banking methods for its employees but also useful knowledge in the areas of law, economics, national and international finance, management, and so on. That education begins at the lowest level--leading to the vocational aptitude certificate (CAP) in banking--and can continue as far as the diploma of higher studies (DES) in banking.

Besides vocational training in banking methods proper, the bank has also given its personnel the opportunity to receive training at the INPED [National Productivity and Industrial Development Institute], the ITFC, and so on.

Internal Activities

In figures, 408 employees were registered in those courses during the 1981-1982 year, while the total came to 661 for 1984-1985.

Activity by the Algerian Foreign Bank in connection with training also included selective proficiency training abroad to bring employees up to date on advanced banking methods.

The Algerian Foreign Bank has also undertaken internal training activities, being inspired by its concern to increase the quality of its services, the security of its operations, and the output of its employees. Its purpose has been to raise the level of professional qualification among the enterprise's employees and cadres by reducing as far as possible the gap between the knowledge needed for handling a job well and the knowledge possessed by the person responsible for that job. It was a question of providing employees and cadres with the knowledge and know-how needed for executing the operations carried out by the Algerian Foreign Bank in accordance with its operating methods and with the legal regulations governing those operations. This kind of training has been provided in the form of short-term seminars concerned especially with the following:

1. The activities of the teller department.

2. Foreign trade.

3. Operation of the bank.

4. The financing of the public and private sectors.

5. Accounting.

6. Data processing and related activities.

Internal training at the Algerian Foreign Bank involved 239 employees in 1981-1982, 419 in 1982-1983, 529 in 1983-1984, and 793 in 1984-1985.

In addition to that two-pronged effort, the Algerian Foreign Bank has made provision for the Arabization of its personnel through continuous and sustained activity whose medium-term objective is to make Arabic both a working tool and a complete and usual means of communication.

While supporting and even beefing up the training efforts it has begun to support the process of decentralization now underway and the expansion of its network, the Algerian Foreign Bank, in pursuit of such objectives as technical modernization, the mastery of banking methods, the giving of responsibility to cadres, and restoration of the bank's commercial function, has not failed and will not fail to establish definite training programs and to initiate the specific corresponding actions that will enable it to have a specialized and profitable tool at its disposal.

Individual Savings, Housing Loans

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Article by B. Madouni]

[Text] Just after national independence was achieved, an examination of Algerian financial structures revealed that institutionally, the play of financial mechanisms, notably from the standpoint of attracting the small savings of individuals and providing housing loans, was not being assured in an adequate and satisfactory manner. It was therefore decided to "entrust a single institution with all tasks concerned with those savings and those loans." The result was Law No 64,227, which established the National Savings and Insurance Bank (CNEP) on 10 August 1964 as the replacement for the Solidarity Fund of Algerian Departments and Communes (CASCA).

The institution's basic role is that of stimulating, collecting, and mobilizing the savings of individuals for the benefit of economic and social development. Until the end of 1970, the bank appealed to individual consensus rather than offering a particular service or any advantage other than the rate of interest it paid, which amounted to 2.8 percent at the time. At that time, its network for collecting funds consisted only of a few branches that could be counted on one's fingers and about 10 collection centers located in the Posts and Telecommunications revenue offices. Starting in 1971, however, the collection of household savings was stimulated by new laws encouraging savings and by the introduction of savings plans, notably the system of saving for the purchase of a home, which enables any saver to aspire to the acquisition of a family home. Those various measures had the effect of causing the institution to specialize in housing loans. From that point on, household savings were to experience phenomenal growth, especially beginning in 1976, when the first homes were sold to benefit passbook holders who had made the necessary effort.

The results achieved are the best proof. The number of passbooks managed by the bank since its establishment rose from 415,000 on 31 December 1975 to 1,150,000 on 30 November 1979, while the surplus on the bank's books increased from 2 billion dinars to 7.5 billion dinars. As a point of interest, the average amount of savings collected every year between 1976 and 1979 equaled the volume of savings tapped during the entire decade from 1966 through 1975.

The progress recorded in the collection of savings has been accompanied by the development and multiplication of branches, the concern being to get closer to the citizens. The bank has opened branches throughout the national territory. In 1979, 46 branches and collection offices were in operation. The network currently consists of 89 branches and collection offices. And the postal network that collects savings by individuals on behalf of the CNEP consists of 2,303 post offices. As regards its organization, the bank has a decentralized structure represented by three regional units: in Algiers, Oran, and Constantine. Each of them is equipped with all the human and material resources needed for dealing effectively with the sector's financing needs within its geographic sphere.

All branches at the governorate level as well as collection offices in the most important communes are empowered to carry out all credit operations involving individuals. But only branches at the governorate level are allowed to establish their own housing finance budgets and respond to calls for the funds required to meet the needs of the various intervening parties.

The collection network will also be expanded to the utmost to promote the mobilization of people's savings as much and as well as possible and also to meet customer demand for housing loans within the framework of individual and cooperative construction.

Lastly, plans call for establishing new units within the near future so as to further increase the bank's effectiveness.

The qualitative and quantitative increase in deposits which is being sought by the CNEP and toward which it works without ceasing is obviously not an end in itself, and even less is it a question of prestige. It constitutes the means by which the bank can play its proper role and fulfill its mission in the interest of the individual and the community. The savings it mobilizes are invested in the housing sector, while the surplus is invested in equipment bonds that the Public Treasury reinjects into the nation's economic channels.

As of 31 December 1978, the CNEP had contributed 25 percent of the financing for planned housing, while the Public Treasury was responsible for the rest of that financing--that is, 75 percent.

Since 1 January 1979, the Public Treasury has been completely responsible for the financing of planned housing. The CNEP, as the sole financial operator in that sector, is responsible for managing those funds.

To remedy that situation, which has definitely negative effects on the mobilization of individual savings, the authorities decided in 1980 to set up a public real estate developer (the National Office for Family Housing, since restructured into enterprises at the governorate level to promote family housing). It was responsible in particular for carrying out a specific housing construction program. Financed with funds provided by household savings, those homes are reserved exclusively for savers under regulations that are clear, definite, and precise. A program for 18,800 housing units, most of which are in the process of completion, was started. Those units will go on sale as they are accepted. Incidentally, certain quotas have already been set aside for savers [rest of sentence garbled].

Even in the case of that program, some questions have been raised concerning the destination of those units. An interministerial order dated 1 August 1982 and its implementing circular recalled once again that the housing in question is reserved exclusively for citizens who are savers. Another interministerial order, this one dated 19 September 1982 and concerned with housing starts under the planned housing program, stressed the urgent need to sell all that housing to savers, with leases to constitute only the exception.

The many difficulties experienced in assigning housing to savers has worked against an increase in collections of people's savings. The great majority of citizens who save are motivated first, especially, and foremost by the prospect of acquiring a home. The role of interest as a stimulus is not very important, although the rate has risen consistently. It was 2.8 percent until 31 October 1970 and was then raised to 3.5 percent on 1 January 1971, to 4 percent on 1 January 1979, and to 5 percent beginning on 1 June 1982.

As everyone knows, the CNEP does not simply gather savings, but also redistributes them as loans to individuals who want to build their own homes.

Citizens have two solutions to choose from. The first involves cooperative construction, a formula introduced by legislative provision (Order No 78-92 dated 23 October 1976). It gives savers a privileged opportunity to form building cooperatives and build their homes with personal loans from the bank.

In that process, the CNEP's intervention consists of completely prefinancing the cooperatives formed and providing them with its advise and assistance. The second solution consists of granting loans of up to 450,000 dinars for individual construction. The loan is disbursed in three installments: 40 percent at the start of construction, 40 percent when the shell is complete, and 20 percent when the work is done. In no case, however, can the total loan exceed 80 percent of the cost of the house. The total is also determined by the amount of accumulated interest and the borrower's ability to repay.

To respond to the aspirations of the largest number of citizens and satisfy the desires of savers, individual loans may be granted to those already owning a personal dwelling and wanting to improve, enlarge, or raise it.

This new service assigned to the CNEP makes possible an efficient adaptation of the credit policy to the nation's demographic realities as well as to new social demands and the new demand for comfort.

To further encourage savers who make the required effort to save, a subsidy covering part of the rate of interest charged by the bank is granted. That subsidy, which is paid by the Public Treasury, varies between 2 and 3 percent and is determined by the borrower's income.

The constantly revived encouragement of citizens to save was also reflected in the introduction in 1982 of a new type of loan known as the savings loan for professional premises (PELP). That type of loan is intended for the construction, enlargement, improvement, or acquisition from a public developer of premises for commercial or professional use. The maximum amount of the loan in this case is 320,000 dinars. Depending on the purpose of the loan, the following ceilings have been established:

1. Construction: 80 percent of the cost of the project.

2. Acquisition: 80 percent of the cost of the premises.

3. Enlargement or improvement: 50 percent of the cost of the work.

It is obvious that in view of the use to which a loan of this kind is put, the conditions under which it can be granted are very strict. It must be repaid in 15 years, and the interest rate is 6 percent.

As of 30 September 1985, the total number of loans granted in all categories came to 16,829, and their combined amount was 2.4 billion dinars.

The financing of housing, along with the collection of savings to which it gives rise, is the main object of the CNEP. Since this sector of investment is nonproductive, it is imperative that the various construction programs be financed to the maximum from savings, thus alleviating the state's effort and also limiting the amount of currency drawn.

The bank works at it actively with all the determination required. Standing out more and more every year as a true housing and household bank, the CNEP, through its constant search for powerful incentives adapted to the population's felt or expressed needs, enables the tremendous wealth represented by household savings to be a genuine driving force behind the country's multifaceted development.

But if our savings policy is to succeed, it is vital that every saver benefit serenely and perceptibly from a return on the efforts and sacrifices he makes to deposit his savings in the bank regularly.

The bank will then be successful in constantly channeling into priority investments the sizable amounts of available funds that are currently unused. Only on that condition will savers regain confidence and savings really constitute an irreplaceable asset for economic advancement and social well-being.

With 2.4 million savers as its customers and accumulated earnings of 29 billion dinars as of 30 September 1985, the bank has shown definite dynamism. The result is that it constitutes a modern and complete component of the national banking system.

Careers in Banking Examined

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Article by Mohamed Refik Idri, deputy director general]

[Text] The notion of "banker" has evolved in keeping with the changes that banks have undergone in the course of time either as a result of economic reorganizations or because of new technological contexts.

We have progressed from banks--each a simple business presided over by a banker assisted perhaps by clerks--to enterprises scattered over their national territory, perhaps with international ramifications, and embracing a range of diverse and extensive economic activities. The new situation required the use of increasingly numerous and specialized personnel, and banks thus passed from the small-scale economic stage to the industrial stage.

The result is that the image of the banker, with his qualities of attention to detail, rigor, and caution, his training, mastery of banking methods, knowledge, and human contacts, as well as his sense of risk and regulation and his awareness of his responsibilities, must be adjusted to the realities corresponding in our day to a multitude of opportunities in a banking career.

The dominant type of organization in our banking establishments today reflects inherited operating patterns and methods as well as structural adaptation to the status of a government-owned establishment and a planned economy. It corresponds to the classic division of activities within an enterprise:

First, there are the activities related to the bank's internal management. These correspond to the functions found in every establishment: management and control; research and analysis of activity; the administrative management of personnel, buildings, and materials; budget; accounting; and data processing.

Then there are the activities concerned with the actual function of a bank. These include the departments concerned with cash or portfolios and the financing of enterprises and individuals as well as foreign operations arising from the fact that each of the "commercial" banks is an approved intermediary.

The first category of activity is common to all enterprises and does not enter into consideration here. But as far as careers in banking are concerned, it is obvious that their number and degree of specialization in a given bank depends on the size of the establishment and the quantity of work to be done. The fact remains that minimal differences exist, and they cause the following distinctions, based on the nature of the tasks involved, to stand out:

1. The activities of teller departments, which are in charge of operations concerned with handling accounts opened for third parties--the starting point and a necessary step in all relations between bank and customer.

2. Portfolio and discount activity, which is concerned with the collection or acceptance of customer receivables. Since independence, the volume and reduced diversification of this activity have sometimes resulted in its being combined with the teller department.

3. Financing operations, which are concerned with the precise determination of financing needs on the part of enterprises and individuals, the setting up of appropriate solutions by type and amount, and verification of the merits of the financing and the use to which it will be put.

4. Activities generated by foreign operations, which range from simple transfers related to an assignment of foreign exchange to complex documentary credit, which requires familiarity not only with our own regulations but also with those of the countries with which we deal, the trade practices of those countries, the complicated domiciliation of foreign trade transactions or contracts involving operators in the public sector, and so on.

In all those sectors of banking activity (as well as in the semibanking sector concerned with internal management), which are divided up and organized into

job positions, there are just that many opportunities for pursuing a banking career. It is a unique field offering many opportunities for a diversified, full, enriching, and upwardly mobile professional life.

All that is so true that we are obliged to conclude that the occupation of banker, which once meant one or a few men working in the simplest banking framework, has now exploded into an infinite number of diverse and specialized jobs. It is important to point out, however, that all the qualities and abilities appropriate to the usual image of a banker must exist in every bank employee, who is in fact the representation of part of that image.

There is one element of a career in banking that does not stand out in this survey, which is much too brief to be exhaustive, and that is the fact that as a result of the necessary changes in working methods still be be computerized, bank employees will find more and more time to greet customers, be available to serve them, and rigorously contribute to the satisfaction of their needs. In that way, the commercial function of banks will be restored.

New Computer for CNEP

Algiers EL MOUDJAHID in French 12 Nov 85 Economie p IV

[Text] The CNEP is currently in the process of replacing its central equipment and its data capture equipment based on tabulating cards. The old equipment has been leased since 1971.

The future data processing center, to be located in Zeralda, will receive a DPS-7 computer, manufactured by the Bull Company, in December 1985.

The equipment has large data storage capacity (1 billion characters), provides a better organization of data (using a data base), and permits teleprocessing, which will make it possible in the medium term to provide a direct link with the network of branches and with the enterprise's regional offices.

The computer will handle the work for branches not scheduled to receive their own equipment in 1986. That work will gradually be taken over by the regional offices as proficiency with the computer is achieved.

Computerization of Network

Parallel with that operation, an important data processing program has been undertaken for the purpose of computerizing the regional offices and the main branches in the network through the use of microcomputers.

The introduction of computers into the CNEP's branches will permit the adoption of other procedures in addition to those principal uses: statistics, computer-aided decisionmaking, office automation, and so on.

The bank's installation of this new operating equipment has two objectives in view:

1. Improved service to customers (thanks to the speed and efficiency of operations).

2. Profitable management of the branches and their optimal operation.

The installation program calls for a test operation during the first quarter of 1986.

Installation of the equipment throughout the network will be gradual. To begin with, it will be installed in the largest branches, which handle as many as 70,000 savings accounts, and in the three regional offices, which are located in Algiers, Oran, and Constantine.

New Bank Officials Appointed

Algiers EL MOUDJAHID in French 19 Nov 85 p 3

[Text] Algiers (APS)--Boualem Benhamouda, member of the Political Bureau and minister of finance, presided yesterday morning over a meeting by the managers of the banking and insurance institutions. Important changes in the assignment of officials in those two sectors were made at the meeting.

Badredine Nouioua, formerly director general of public funds, credit, and insurance in the Ministry of Finance, was appointed governor of the Central Bank of Algeria [BCA], replacing Rachid Bouraoui, who is being reassigned. Benkara Mostepha Ali and Hanafi Ahmed were named deputy governors of the BCA.

Djaafari Habib, formerly general manager of the BNA [National Bank of Algeria], was appointed general manager of the CNEP, which, in accordance with the government's instructions, is going to be converted into a bank for housing and real estate development.

Hakiki Habib (formerly general manager of the BEA [Algerian Foreign Bank]), Benmalek Abdelmoumen (formerly general manager of the BAD [Algerian Development Bank]), and Khellaf Mourad were appointed general manager of the BAD, general manager of the BNA, and general manager of the BEA respectively.

Battata Mahfoud, formerly general manager of the Algerian Insurance Company (SAA), was appointed general manager of the Algerian Insurance and Reinsurance Fund (CAAR), replacing Belhadj Abdelkader, who has been reassigned.

Abdelkader Belbey, formerly director general of financial relations in the Ministry of Finance, was appointed chairman of the board of MEDRE (Mediterranean Insurance and Reinsurance Company, Limited), while Djaafari Abdelrim, formerly general manager of the CGRA (Algerian General Retirement Fund), was appointed general manager of the SAA.

For his part, Abderrahim Mustapha was appointed general manager of the Transportation Insurance Fund.

In addition, Gaceb Mohamed and Malek Mohamed were appointed deputy general manager of the CNEP and deputy general manager of the Local Development Bank (BAL) respectively.

These appointments are occurring after adoption of the new organization chart for the Ministry of Finance and are part of the government policy of rotating senior cadres.

During the meeting, Boualem Benhamouda reminded the newly installed cadres of the importance of the mission being entrusted to them at a time when the government has just adopted a wide-ranging program intended to to give a new boost to domestic savings and breathe new dynamism into the banking and insurance system.

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ALGERIA

EGG PRODUCTION, POULTRY BREEDING PROBLEMS DISCUSSED

Egg Production

Algiers EL MOUDJAHID in French 14 Nov 85 pp 14-15

[Article by Hocine Khelfaoui; original paragraphing not strictly followed]

[Text] "What is it that is neither round, square, nor pointed?" After that challenge to elementary geometry, the egg now seems to be directing its sarcasm at the market economy. Available in one place but not in another, in surplus yesterday but in short supply today--the egg is elusive on a market in in need of regulation. Is it defying all calculations concerning future requirements?

To try to get our bearings, let us first look at the figures and count up the eggs:

Development of National Production
August 1984: 982 million units
August 1985: 1.06 million units
(annual forecast: 1.8 million units)

Development of Imports
June 1984: 900 million units
June 1985: 300 million units
(annual forecast: 450 million units)

Total National Production Plus Imports
August 1984: 982 million + 900 million = 1.882 million units
August 1985: 1.06 million + 300 million = 1.36 million units

(Source: National Chamber of Commerce)

The first thing to note is that we cannot speak of underproduction, since almost as many eggs were put on the market in August as were in all of 1984. There were even a few surpluses last summer, the explanation being the drop in consumption at that time of year. If we go strictly by statistics, it seems that the extent of the current shortage should not have existed.

So how could eggs be available at the point of production but not available for consumption?

Let us go back and look at the situation since the start of 1985. During the first 5 months, supplies were quite regular. National production, with imports added to close the gap, was keeping the market steady to everyone's satisfaction. At least one might have thought so, because suddenly, in June, the producers sounded the alert, saying that there were more or less sizable egg surpluses at several points in the national territory. The state, which does not have foreign exchange to throw out the window, decided to halt imports. The Ministry of Commerce, in agreement with the Ministry of Agriculture, suspended the delivery contracts in force. On their side, the producers turned to the public distributors (large outlets and so on) and brought them "face to face with their responsibilities": they must accept contractual agreements for egg deliveries. And the latter, who had always sought such agreements with the producers, and always with the same response--blunt refusal--retorted that for them to take unsaleable surpluses now was out of the question. Instead of sticking to stable formulas for regulating the market, the producers seem to want it both ways: in times of surplus, they offer agreements to sell their product and benefit from the minimum prices set by the state. But in the normal situation of shortages, they prefer to rely on the pure law of supply and demand amended by a few manipulations aimed at moving the price upward.

Result: a few million eggs were lost last summer. As the saying goes, "who digs a hole will fall in it first."

In October the situation reversed itself. Eggs grew increasingly scarce and then disappeared almost completely from the market. There was a shortage. Why? It is difficult to answer that question with certainty. Overconsumption is ruled out because of the persistent crisis, even though the season is favorable to the eating of eggs. If that were the reason, consumption would have had to double, a very unlikely development from one year to the next. Underproduction is denied by the figures. According to information given to us, transportation is not the problem.

Could the shortage be due, as is suspected, to speculative hoarding on the part of producers and/or private distributors? Egg production is taken almost entirely by private distributors or is handled by the producer himself. That system allows both to profit from market fluctuations, whether deliberately provoked or not. Especially when the market is tight, there is a veritable boycott of public distributors (large outlets), even though their prices stay within the limits of a ceiling price and a floor price.

For several reasons, the current season is favorable to speculation, unlike the situation in the summer, when eggs must be put on the market as soon as they are produced. Demand, which is already rising, is being reinforced by the high price of meat, for which eggs are a substitute. Moreover, the product can be stored for a long time--up to 3 months. Since the rule is to make the consumer pay, the shortage would also enable producers to recover the "losses" suffered during the summer surpluses and make extra profits.

In response to the persistently tight market, the Ministry of Commerce has decided to reactivate the import contracts that have been frozen since 15 June 1985, and 200 million imported eggs will be put on the market between November and December 1985. After that period is over, plans call for using cold-storage plants to build up safety inventories consisting of imports. The eggs will then be released for sale as needed wherever a tight market is noted.

According to information provided by the National Chamber of Commerce, domestic production may equal and even exceed consumption within the next few years. State aid in the form of financing for the current project by the BADR [Bank for Agricultural and Rural Development] began in 1982. Funds on the order of 236 million dinars and 140 million dinars have been released for building 1,429 production batteries (lines) and 1,104 sheds. To date, 691 batteries (48 percent of the total) and 803 sheds (72 percent) have been completed. The rest are in progress. That prospective abundance is being counted on to wipe out speculation in the future.

Theoretically, it should work.

Poultry Breeding

Algiers EL MOUDJAHID in French 14 Nov 85 pp 14-15

[Article by Belaid Djamel]

[Text] The development model for poultry breeding that has been chosen in Algeria consists of an assembly operation. It is a little like setting up a large automobile assembly plant from one year to the next and then using imported parts to achieve a sufficient level of automobile production to meet the country's needs.

It is true that in view of the need to meet the population's requirements for animal protein, the planning choices had to be practical. But the fact remains that poultry feed comes from the United States and Brazil, the poultry strains come from Germany, the cages come from Tunisia, and the medicines come from the United States.

France experienced many difficulties in 1973, when the United States restricted its exports of soybeans.

In Algeria, efforts are being made to improve the rate at which poultry breeding is being integrated. Cages are now being produced locally, private parties are trying to select poultry strains, and university research is underway to find feed that is produced locally. The road is a long one, and the intentions are good. Meanwhile....

For the past few years, henhouses have been shooting up like mushrooms all over the national territory. Hanging onto a hillside or lined up side by side, those buildings--made of aluminum, concrete blocks, or simply earth--are to be seen everywhere.

Broiler production has long been in favor with poultry breeders, but now they are not hesitating to switch en masse to raising laying hens. How can one explain that passion?

First of all, it is a profitable activity. To encourage that kind of production--previously highly inadequate--the state even eliminated taxes. In addition, the basic investment is relatively low: as many as 1,000 broilers can be raised on 100 square meters. And in the case of laying hens, the BADR will even advance the necessary funds for starting up the henhouse. That bank's employees exercise supervision throughout the process of putting up the poultry buildings and installing the laying batteries. The credits are thus made available in installments and can be repaid over several years. The breeder is granted a loan even for the pullets and feed.

There also exists an entire support infrastructure: plants (both state-owned and private) for the production of livestock feed, hatcheries, a center for raising pullets, centers for the sale of veterinary products and poultry-breeding equipment, and slaughterhouses. This does not mean that problems do not exist. For example, each poultry breeder is generally careful to set aside a supply of emergency feed. The reason is that in the case of broilers, it is always possible, if feed supplies run out, to find an excipient [as published] and sell after 56 days. But the same is not possible in the case of egg production. The fact is that each animal costs 36 dinars, and its egg-laying "career" must last 1 year. As a result, the ONAB [National Animal Feed Office] is gradually establishing decentralized structures to bring poultry feed closer to the users.

At first, breeders received chicks which they themselves raised to the age where egg laying begins. As a result of the difficulties encountered, that pattern was changed. Today, breeding stations make it possible to sell fattened pullets directly to the breeders. Production at those stations is such that pullets have sometimes been distributed free of cost. But the establishment of annual delivery plans is making it possible to reduce those ups and downs.

The poultry strains used in those breeding stations are foreign. Efforts have been underway over the past few years to reduce that dependence. Previously, we imported eggs which were placed in hatcheries, where they produced future laying pullets. Those eggs are now produced in Algeria. But the firms owning those strains have no interest in seeing the entire procedure copied. True, it is possible to select high-performance hens. Doing so requires resources and time. But the results are worth it. Take for example those European breeders who have perfected a strain of dwarf hens that eat less but lay eggs of the same size.

Private poultry breeders are trying to breed new strains. At the National Agricultural Fair, an exhibitor from Oran was able to present the first results of his work.

From the technical point of view, there is followup by the structures concerned (COPAWI). That has its ups and downs. Some governorates even show

special documentary films with participation by experts. The lack of technical training on the part of breeders sometimes causes setbacks. In the vicinity of Algiers, one poultry breeder who had neglected to air his sheds wound up with a mortality rate of 200 laying hens per day. But it is not rare to see poultry breeders seek assistance by veterinarians and call them in at the slightest sign of trouble to autopsy the dead birds.

The success of the early poultry breeders is attracting others. But the quotas are beginning to be filled. An example is one governorate in the interior of the country which is considered backward in this field but which is reporting the quota filled for this year. And the bank's branch manager is telling applicants for loans that "the quota of 120,000 pullets has been reached, and we are not making any more loans this year." The point is that there is planning in this area for each governorate, based on consumption of about 58 eggs per inhabitant per year.

The production of poultry and eggs provides a fine example of the will to stimulate production with decent results. But production of this kind requires upstream resources: poultry strains, feed, medicine, and batteries. And recourse is being had to imports, especially in the case of feed, which consists mainly of soybeans and corn. That is the weak link in the chain. Work is underway to find local substitutes. A great deal of effort will be required. But that will be the cost of the transition from the current "assembly plant" activity based on imports to poultry breeding that is better integrated with the national economy.

Poultry Breeding

A breeder of poultry (broilers) receives chicks which he raises for 56 days. The birds are vaccinated and eat a specific type of feed depending on their age. They are raised on the ground.

In the case of laying hens, the breeder receives fattened pullets that are 17 weeks old. Over a year's time, each will produce an average of one egg per day. This type of breeding is done in cages and requires close attention on the part of the poultry breeder.

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SUDAN

FORMER DARFUR GOVERNOR INTERVIEWED ON PROBLEMS OF THE SOUTH

London AL-TADAMUN in Arabic 30 Nov-6 Dec 85 p 21-23

[Interview with Ahmad Ibrahim Durayj, former governor of Darfur, by 'Uthman Mirghani: "Sudan Needs a New Party and a Federal System"; in London, date not given]

[Text] Ahmad Ibrahim Durayj is a well-known political figure in Sudan. He is from a region which had higher education at a time when higher education was extremely limited. He has held senior political positions. He formed the "Darfur Renaissance" movement in 1964 and entered political life when he was elected to Parliament as an independent deputy. Following his victory, he joined the Ummah Party and subsequently became minister of labor. He was an opposition leader in the Constituent Assembly at the end of the sixties.

In 1981 he assumed the post of governor of Darfur at the request of the government and in accordance with the wishes of the people of the region. He was one of the first to warn of the danger of famine in western Sudan and he submitted a report on this to the central government. He left his post as governor of Darfur in December 1983 and left Sudan in protest against the regime's policies. Since that time he has lived in London, where AL-TADAMUN met him and conducted this interview.

[Question] You recently produced a paper on the political structure in Sudan and submitted it to government officials there and to a number of politicians and other interested people. What is the main point and the purpose of this paper?

[Answer] This paper is my personal contribution, in which I have relied on my own experiences in Sudan as well as my practical experience as a student of political science and my life experience as a person who was born in the countryside. It is also based on the current reality of Sudan. All of these experiences have prompted me to hold that unless we begin anew in Sudan by creating a new political setting or political structure, we will remain in the very vortex in which we have lived since Sudan's independence, the vortex of so-called party democracy and military governments.

I attribute the failure of all previous regimes to the absence of a true political make-up on which the political structure must be based. I believe

that as long as we accept a new period following the popular April uprising, and as long as we are in the midst of preparing a new constitution for Sudan, the time must be considered appropriate for proposing my ideas related to the political structure in Sudan. I am not claiming that these ideas are new or unique. I am simply saying that perhaps they may not have been raised in the exact same manner in which I have raised them.

I submitted a copy of this paper to Prime Minister Dr al-Jazuli Daf'allah during his recent visit to London. I also submitted another copy to the [Transitional] Military Council [TMC], the [provisional] council of ministers, and the union grouping. I intend to send it to newspapers so that it can be read by the largest possible number of people. What I am hoping for is that if the parties find something suitable and useful in this paper they will adopt them and include them in their political programs.

[Question] In this paper you have spelled out some proposals which you believe must precede efforts to solve the problems of Sudan. Among these proposals is the formation of a transitional national government. The government which it proposes differs from the current transitional government in Sudan. On what is it based?

[Answer] I have offered the concept of a national government ever since efforts began to form the current transitional government. The premise is that the current problems facing Sudan are extremely difficult. Some of these problems, moreover, provoke controversy and differences of opinion. The leading issue is the problem of the south, which requires a prompt and fundamental solution. Undoubtedly, a complicated problem such as the problem of the south cannot be solved by a weak government or a government which does not have a mandate. Furthermore, drafting a new constitution and preparing for elections require a strong, broad-based government in which all, or at least a majority of, sectors of the people are represented so that this constitution will represent the views of the people.

In addition to this, Sudan is facing a pressing economic crisis whose solution requires a strong government with a broad base. We also have the problem of famine, which requires a government which has power, a mandate, and the necessary time to deal with the issue.

In my opinion, the government which followed the uprising lacks these elements. What happened was that authority devolved upon two parallel governments, one civilian and the other military. The military government, or to be more precise the military party in the government, believes that, by its siding with the people and its holding the power of arms which decided the situation, it has the right to rule. The civilian government on the other hand believes that it came to power as a result of a popular uprising which occurred under its leadership; therefore, it has the right to rule. On this basis, a dispute between the two governments regarding power was inevitable. That caused the issuance and signing of the provisional constitution to be delayed until October and gave the impression that the two governments were not able to come to an agreement on this constitution for 6 months (half of the transitional period). How can a government like this face up to greater and deeper problems such as the problem of the south? It is enough to note

here the fact that there is still no one voice or a unified program to solve the problem of the south. The council of ministers has ideas regarding this problem, the TMC has its own ideas, and the grouping has other ideas. There is no consolidated program among the three for dealing with Sudan's problems. Therefore, I believe that if a nationalist government were formed in which all sectors were represented, including farmers, workers, and economists as well as the regions which are not represented in the current government, we would be able to confront the problems of Sudan, or at least stand at the beginning of the road to solving these problems.

Allow me now to go into some detail about the lack of representation of the regions in the government. The regions must be taken seriously by the governments in Khartoum, especially since there are today regional movements in various parts of Sudan. These movements are not new, they began to appear after the October 1964 Revolution. There is also no need for secession, but there must be an expression of the complaints of the regions over the centralism of the government in Khartoum. All previous governments have failed to achieve the aspirations and hopes of the people of the rural areas, and the rural areas have been denied the right to take part in the government and take part in decision-making and in carrying out decisions. This has hindered progress and development of the outlying regions and caused the collapse of services there and, as a result, has also caused the loss of confidence by the regions in all governments in Khartoum, whether military or civilian.

It appears that, in addition to regional movements which operate in the form of discussions and peaceful movements, other movements began to appear which discuss and demand additional rights by using weapons. We must not ignore this phenomenon or close our eyes to it by considering them as racial movements, as some have described them, becausing ignoring them may lead to deterioration and widening of the scope instead of a solution to the problem.

[Question] We shall return again to the question of the south and the other regions, but let us talk in more detail about the call to form a nationalist government. What is your concept of such a government and how would it be formed?

[Answer] After the uprising, the TMC, which was in charge of forming the transitional government, had the upper hand. It was possible at that time for the TMC to advocate the formation of a national government and to go along with the call for a return to the Constitution of 1956, as modified, which provided for a sovereignty council and a council of ministers. These two councils would include representatives of the army, the police, and the parties as well as representatives of workers and farmers and the outlying regions. If this had been done, then the government which assumed responsibility now would be a national government representing all sectors and would enjoy a broad base [of support]. It thus would have been possible to invite John Garang to join such a provisional national government so that this government would undertake missions of the transitional phase, prepare for elections, and deal with urgent problems such as famine, and the leadership of the parties would organize their ranks and prepare for elections.

[Question] There is a specific reality in Sudan today which may differ from this concept you are proposing. Do you still call for the formation of a national government? If so, what is the way out of the current situation?

[Answer] The current reality in Sudan requires that the military government and the civilian government submit resignations on the grounds that although 8 months have gone by, their governments were not able to deal with major problems and adopt consolidated positions on these problems. Failure to come to grips with the situation may cause grievences which might prepare the atmosphere for another uprising or bring in another military government. As long as the goal is the best interests of Sudan first and last, the government must resign after it finds that it has not achieved anything in 8 months.

[Question] What about the elections which are drawing near?

[Answer] I do not see how these elections can be held on schedule; the political parties are not at all prepared to enter them, especially since these parties are suffering from fragmentation. The fact that the parties are not ready is apparent in the fact that the parties' leadership have yet not made wide or extensive visits into the outlying regions of Sudan. Note that politics does not rely on the initiative in Khartoum alone, because the broad base of the people of Sudan is located in the west, the east, the south and the north. The citizens in the outlying regions have not yet become familiar with the parties' programs because these programs have not been proposed to them in a sufficient and persuasive manner. How is it reasonable to hold elections with this picture? How can elections be held while the war continues in the south?

If the government is unable to send food to the people in the south, then how can the candidates go to the voters there and ask for their votes? If it is decided to hold the elections in other parts of Sudan and leave out the south, this would only make the situation more complicated.

Additionally, the problem of famine still exists. It is unreasonable for the candidates to go to starving people to tell them "vote for us." What the government has to do is try to solve this problem first before it asks the people to vote in the elections. I hope that the people will be persuaded to delay these elections and form a national government which will work for 2 or 3 years to solve Sudan's problems and draw up firm bases for democratic elections.

[Question] Among other things proposed in the paper you have drawn up concerning the political structure in Sudan is the question of decentralization, or federal government. What do you mean by federal government. Is it a general and comprehensive federalism for the entire country?

[Answer] The federalism which I am talking about is federalism for all of Sudan.

[Question] Do you not believe that the establishment of a federal system of government in a country such as Sudan may subject it to problems, in the sense

that if Sudan cannot take on problems and disputes now, then how can it sustain a federal system in which there are a number of regional governments in addition to the central government?

[Answer] It is my view that Sudan has not be able to sustain one government because such types of governments have been unable to solve Sudan's problems. If, however, we set up a federal system, then that would assist in solving the problems of the country and would achieve stability at the regional and national level. The proof of that is that ever since pre-independence days we have found ourselves facing a civil war in the south. We have insisted on considering it a civil war which can be contained or ended by weapons. The result was the death of thousands of Sudanese from both sides and the halting of the wheel of development in Sudan because the country's resources have been sapped in the war instead of their being directed towards development and because a number of economic installations have been destroyed during this war. This war did not end until the the Addis Ababa agreement was signed and the south was given greater participation in the government through autonomy. Thanks to this formula the southerners have put down their weapons and Sudan enjoyed stability from 1972 until 1982, when former President Ja'far Numayri abrogated this agreement by taking away power from the southerners and forcing them to redivide the South. This caused fires of war to ignite again.

Now we find that the people of the east and the west and the central region have begun to set up regional blocs and this is a step which warns that what happened in the south may happen in other parts of Sudan. Perhaps the reason for this is the feeling of the people of the regions that the central ruling regime has failed to achieve their aspirations. We must recognize the failure of this system and give the people of the outlying regions the right to manage their affairs in their areas within the framework of a federal system. Federalism does not necessarily mean separatism. Just look around and you can see that there are several countries in the world with a federal system, some small and some large. The United States has a federal system, India is a federal state, and so is Nigeria, Switzerland, the United Arab Emirates, and West Germany.

[Question] What are your connections with John Garang's SPLA/SPLM? Is it true that you have joined this movement from time to time?

[Answer] I have not joined the SPLM/SPLA. Perhaps there is some confusion which made some people think that I joined this movement. The fact is that my contacts with the SPLM/SPLA began at the end of 1983, following my departure from the Sudan and my coming to London. Benjamin Bol contacted me and at that time he was a representative of the SPLM/SPLA in London, He asked to meet with me since we had known each other for a long time, going back to the time when Benjamin Bol was working as minister in the regional government in the south. I understood from Benjamin that John Garang had contacted them and asked them to try to meet with me to determine the possibility of my joining the movement with the goal of broadening the front opposing the regime. However, I told Benjamin that despite my departure in dissatisfaction with Sudan because of the regime's not following the reports which I had submitted to the government concerning the famine in western Sudan, and likewise because the regime was taking spontaneous decisions related to the whole country such as the

September laws (the Islamic Shari'ah laws) without consulting with the people or with the officials, and despite my leaving my post in Darfur and in protest against the actions of the central government, I nevertheless decided not to join any armed opposition against the regime.

SPLM/SPLA representatives continued their contacts with me and they sent me all sorts of booklets and pamphlets related to their movement. In February 1984 Ya'qub Isma'il contacted me from Paris and discussed with me his coordination with John Garang's movement and his hope that I would join them in order to expand the front of opposition to the regime. I informed Ya'qub that I had not yet decided to join the opposition, but that I welcomed the opportunity to meet with John Garang to learn his views.

I left at the end of that month for Addis Ababa where I spent a week during which I met with John Garang, who apprised me of their programs and their goals. He said they wanted to liberate Sudan from military rule and reestablish a democratic system, but in a new fashion based on contribution by all Sudanese in the operation of taking a decision instead of concentrating decision-making in the capital and its people only. He indicated that they wanted to achieve participation of the regions in ruling. I told him that I agreed with him on views related to the need to give the people of the outlying provinces a share in government, but that I had reservations about some aspects of their program which do not completely express the contents he was talking about. I also told him that if his program did not spell these things out, then the people would look at it as a southern separatist movement or a racial movement.

I concluded my remarks with Garang by saying that I had not decided to join the opposition yet; I had to hold contacts with my base in the interior before making any decision on the matter. He expressed understanding of what I had told him. He asked me why I did not draw up a program of action in accordance with what I thought appropriate and then meet again to discuss this program, Perhaps from here we can develop an idea of a paper which I prepared recently. Before this paper was prepared the popular uprising occurred in Sudan and conditions changed. I decided to meet with John Garang again to inform him that a new democratic age had begun in the country and that there were no longer any motives to return to and take part in the effort from within.

At the end of April I went to meet Garang and indicated to him that his movement could contribute to the political effort in light of the new situation in the Sudan and that it had political representation in Khartoum; however, he did not go along with this proposal and said that the new situation is not the situation which he wanted or expected. This situation will never achieve democracy because it is a situation led by the military who were working with Numayri and leading the military units. He said that the new situation had changed nothing in regard to the SPLM/SPLA. As proof of this he said that the new regime had not exhibited any good will towards him and continued describing him as a rebel. Moreover, the TMC was trying to encircle him by making contacts with Libya and Ethiopia. He noted what he called the presence of two governments in Khartoum, one of them military wanting to solve the problem of the south militarily and another civilian speaking about solving the problem through negotiations. He did not know which of the two

governments he should negotiate with. He also raised the point that the existing government in Khartoum is a transitional government which cannot discuss and solve a complicated problem like the problem of the south in a few months. Additionally, its decisions perhaps will not be binding on another government which might come a year later.

I repeated to brother Garang my personal point of view that he should have a political presence in Khartoum following the change in the situation and propose his political program to all the people. I told him that I would complete the paper in which I would put my idea for a new political structure in the Sudan and I would send him a copy of it so that he could look it over.

While I was in Addis Ababa Dr Mansur Khalid also came to meet with Garang. At that time I was getting ready to leave the Ethiopian capital. I met with Dr Mansur who said that he was about to meet with Garang. But we said no more than this about the nature of the talks which both of us had held with the SPLM/SPLA. Shortly before I left, a group from the SPLM told me that Dr Mansur Khalid and a businessman, Dr Khalil `Uthman, had joined the movement and a statement would be issued to this effect and [they asked me] why I did not announce my joining the front. My reply was that I had not yet decided about joining the front but if they wanted a statement I would not prevent the issuance of a statement saying that we had met in February and in April and we had some discussions and that there was some agreement and sympathy in some aspects and we would continue the discussions until we reached agreement. The statement was actually issued, but the matter was confused for the people because the SPLM/SPLA announced in the paper itself a news item about Dr Mansur Khalied's joining the SPLM/SPLA, and there is of course confusion surrounding the matter. I explained the matter of the confusion to some brothers who contacted me from Khartoum and asked them to publish this clarification in the press, and this is what they did.

[Question] Through these contacts which you made with John Garang and through your personal experience in political endeavors, what is the solution to the problem of the south?

[Answer] The solution is the federal system which includes participation by the south and all other regions in governing.

Through my meeting with Prime Minister Dr al-Jazuli Daf'allah during his recent visit to London, I told him of my point of view regarding the subject and I concentrated on the fact that the transitional government had not yet drawn up a specific agenda or specific proposals around which negotiations could revolve. The statements that Garang's proposals are not acceptable are not considered sufficient; instead, the government must draw up its own proposals on its part. Such an agenda or proposals could be a program which people could negotiate.

I also proposed to the prime minister the paper which I had drawn up and I showed him that the federal system could form a solution to the problem of the south and the problem of the outlying regions.

[Question] Do you feel optimistic about the proposed national dialogue conference and the possibility of achieving a settlement to the problem of the south through it?

[Answer] I am not optimistic about this conference, especially since the participants will never represent the regions. So how can you solve the problem of the regions without participation by its people in searching for these solutions?

The national dialogue conference in the format in which it is now being proposed would be like the round-table conference which was held following the October 1964 revolution and which did not lead to a solution of the problem of the south. When we discuss problems related to the regions or any federal proposal, we should rely on the views of the representatives of the regions and not just the views of the political parties.

[Question] Is it true that you are calling for the formation of a new political party?

[Answer] It is true that I feel that there is a vacuum in the political sphere which could pave the way for a new party; maybe this is the way out of the dilemma of the disputes and the splits within the traditional parties since it would form a challenge to these parties. Any new party such as this must address the problems of the people and their minds and must be interested in their basic problems rather than being preoccupied with internal disputes or side issues.

[Question] If a party such as this appears, can we expect you to be one of its founders?

[Answer] Yes.

[Question] Are contacts now under way to form such a party?

[Answer] Yes, there are contacts under way in this regard.

[Question] What is the story behind your name appearing in, and them disappearing from, the list of persons sought for arrest?

[Answer] The fact is that I do not know what the story is exactly. I was astonished that my name appeared in the list of persons whom the transitional government wanted to arrest, especially since I had left my position as governor of Darfur and had left Sudan in protest over the policies of the previous regime. I felt that the people who had put my name on this list were fair, but that they had not checked my positions vis-a-vis the previous regime which prompted me to leave my post. I also registered my position on the regime openly while Numayri was still in power. If the regime fell by virtue of the political strike, then I was the first to strike politically. That occurred when I left my position as governor and left Sudan in protest against the regime's method of rule.

Some of the brothers challenged the inclusion of my name on the list of persons wanted by the authorities; moreover, the authorities realized this mistake on their part and my name was withdrawn from the list.

INDUSTRIAL, ECONOMIC DEVELOPMENT, POLICY CONSIDERED

Baghdad AL-THAWRAH in Arabic 22 Nov 85 p 3

[Article by 'Adnan Manati Salih: "The War and the Brilliant Horizons of the Course of Economic Development in Iraq"]

> [Text] The Rich Experiment
> During the past stage of the struggle for national independence, the experiment of the party has prospered... and it has discovered, profoundly, that the matter does not end with the matter of political independence, which has been achieved decisively. Rather, there is a strong connection between the preservation of free national will and the assurance of all of its political, economic, military and other needs, particularly within the context of undertaking large and complicated national and pan-Arab tasks. [The Central Report of the Ninth Regional Conference, June 1982]

The work of development in Iraq is not limited to modernization and development of the economic structure of the country alone, but includes all areas of social and cultural life.

Expressed differently, in the view of the 17-30 July revolution, the work of development is not meant only to achieve quantitative development for sections of the economy, but also to achieve qualitative development, because the process of socialist building in our country aims to achieve spiritual and material well-being for the people and to connect this to the work of building society. Based on this, the strategy of progress aims to realize quantitative and qualitative development in progressive plans and programs. This strategy is determined by two basic factors: the special socialist system and the pan-Arab dimension.

We aim, by this study, to throw light on the course of progress in the country through development of the industrial sector, which is one of the indicators of development for countries in general and a measure of economic development in particular. We start from a saying of the builder of the new Iraq, leader President Saddam Husayn, emphasizing that Iraq must become a "developed country, agriculturally and industrially," in spite of the war of aggression by the Iranian regime against our country and the Arab nation. This war has as one of its most prominent goals halting the renaissance of Iraq completely. But Iraq and its builder Saddam Husayn are resolved to continue the course of progress

side by side with the priority of developing our country militarily for the defense of Iraq and the Arab nation. This is the distinctive feature of the idea of the revolution and the work of building on the experience of other nations that have tackled courageously the adversities of war.

Before entering into the indicators of industrial development and information of the things achieved by this work according to the goals of the development plans for 1970-1974, 1975-1980 and 1981-1985, it is necessary to know the situation prevailing in this sector before the 17-30 July revolution, so that we can show that the development taking place in this basic sector is not just in the work of building the economic system but is in the work of building the socialist system, because, as leader president Saddam Husayn has said, the industrial sector will continue to be the primary sector in calculations on setting down the material bases for the practice of socialism.

Among the most outstanding characteristics of backwardness in this sector before the revolution are the following:

1. A lack of strategic industries and dependence on light consumer industries that were of a limited and scattered nature, with production insufficient to satisfy local consumption.

2. Reliance by consumer industries' production processes on foreign imports, a matter that made these industries dependent on the economies of foreign countries. This, in turn, had an effect on the products, particularly their price, which was subject to change and which was set by the price of materials used in the production processes of the exporting country.

3. The weak connection between the industrial sector and national resources. This was a result, in turn, of weak investment in these resources. Also, this sector was not well connected with the other sectors of the economy, particularly agriculture and foreign trade, due to the lack of export industries.

4. A decline in the level of productivity of industrial projects and a spread of the phenomenon of hidden unemployment plus poor distribution of workers among the industrial projects.

The importance of this sector is in the work of socialist building and in achieving economic and political independence. Because of the deep backwardness of this sector, the remedies of the revolution for this sector were radical. The 5-year development plans reflect this clearly.

As leader President Saddam Husayn has pointed out, the priority of this sector in socialist building appears in the following:

1. Its participation in setting down the material bases for socialist building by creating economic surplus.

2. Response to local consumer demand in the direction of decreasing the influence of foreign purchases on our practice of socialism, and, at the same time, participation in diversifying the make-up of our exports, which will lead to increased financial revenues for our country, particularly of hard currencies.

3. Response to the needs of other sectors of the economy, particularly the agricultural sector, including its needs for implements, machines, fertilizers and insecticides, so as to make Iraq, as president Saddam Husayn says, "a developed country, industrially and agriculturally," and, thus, exploitation of primary materials and agricultural products.

4. An increase in job opportunities and absorption of the surplus in the labor force in other sectors in light of the work of planning to redistribute the labor force over the sections of the economy.

5. Creation of a national industrial base to participate in strengthening the defensive capability of Iraq within the framework of the Arab dimension.

6. Rapid response by this sector, including response to technological development.

In order to encourage the industrial sector, the 17-30 July revolution set forth serious remedies to modernize and develop this sector. It relied on two policies: the first was the development of existing industries and the second the establishment of new industries, in order to achieve the basic tasks of this sector mentioned in the preceding points.

We can state the most outstanding indicators of development of the industrial sector according to the goals drawn up for it in light of the 17-30 July revolution, and in spite of the war, by noting the following:

1. An increase in the relative weight of industrial production as a component of GDP as opposed to decreased reliance of the GDP on the production of crude oil, since the domestic product for processing industries rose, in current prices, from 94.6 million dinars in 1968 to 187.8 million dinars in 1974, to 875.1 million dinars in 1982 and to 1.34 billion dinars in 1984. This reflects the great degree of development that has occurred in the industrial base of the country, particularly with the entry of industry into new manufacturing areas such as the iron and steel industry, engineering and electrical industries and mining industries such as phosphate and sulfur, in light of a policy of ideal utilization of national resources.

2. The development of processing industries. This indicator reflects economic development generally and industrial development in particular, in light of the establishment of industries to replace imports and the establishment of export industries. The value of production by processing industries rose, in current prices, from 266.5 million dinars in 1968 to 594.9 million dinars in 1974 and to 2,731.2 million dinars in 1984. This reflects the level of development that has occurred in those industries that form the primary base for the work of industrial development.

3. The determination to transform Iraq into a developed industrial country of the first rank explains the large increase in investment appropriations for the industrial sector in the development plans, where these appropriations rose from 39.5 million dinars in 1968 to 730.1 million dinars in 1984.

4. Development and strengthening of the role of the socialist industrial sector's leadership of the industrial base of the country. This role explains the rise of the relative importance of the value of production of the processing sector from 31.7 percent in 1964 to 39.3 percent in 1974 and to 59.5 percent in 1984. Moreover, the domestic production of processing industries rose from 41.5 percent of the socialist sector in 1964 to 47.1 percent in 1974 and to 63.3 percent in 1984.

5. Development of the mixed sector and strengthening its role in achieving the goals of industrial development, so as to gather the financial savings of individuals and direct them toward productive industrial investment and its integration with the socialist sector to speed along economic and social development in the country. The number of mixed-sector companies increased by 11. Their normal capitalization is 64 million dinars and their total capital investment is about 61 million dinars.

6. Development and modernization of the private industrial sector, giving it opportunities for development in order to serve the policies of socialist practice, because, as leader President Saddam Husayn said during his reception of a group of managers and workers in the industrial sector on 14 August 1984, this sector "is needed for socialist building. It is not fixed at one stage, but is fully in the historical process, because private activity is able to work with the fingertips and with pointed thought to enter into the intricate web of life. The socialist sector cannot replace it. On the basis of this analysis, we cannot imagine that we can achieve prosperity for the people unless we can achieve the best prosperity developed within life. We cannot do this without private activity continually developing in all areas without exception, whether that be in the areas of industry, agriculture, commerce or services." This is equivalent to requiring that private activity in the industrial area encourage production and a volume of investments that expands the industrial base of the country rather than making quick profits, which do not contribute to the task of development. According to President Saddam Husayn, this sector is still laggardly in the type of production and the volume of investment, in spite of the support that it has received from the leadership of the party and the revolution to encourage its effective role in the task of socialist building.

7. The task of socialist building in the country is connected to Arab industrial integration, as the central resolution of the ninth national conference of the party pointed out, considering that national and Arab politics are important political characteristics of development in Iraq, particularly in the area of heavy industry. President Saddam Husayn pointed this out when he said that building the base of heavy industry without connecting it to the Arab thinking of the ASBP makes us commit the mistake of anticipating stopping and not achieving the goal that is incumbent on us.

In fact this has been given concrete form by means of Iraq's participation in joint Arab companies and industrial projects and by its participation in Arab industrial organizations. Among these companies are the Arab Company for Industrial Investments, of which Iraq has a 16 percent share; the Arab Mining Company, in which Iraq also has a 16 percent stake; the National Company for

Industry and Mines, of which Iraq holds 16 percent; the Arab Company for Minerals, of which Iraq owns 25 percent; the Gulf Company for Aluminum Forming, of which Iraq owns 20 percent and the Somali Arab Mining Company, of which Iraq owns 33.3 percent. Iraq has also participated in the Gulf Organization for Industrial Investments, to which it contributes 17 percent of its annual budget, and the Arab Organization for Mineral Wealth. These indicators reflect the role of Iraq in supporting the task of Arab economic integration through the industrial sector.

It is important here to mention the most outstanding future goals and requirements set out by the central resolution of the Ninth Regional Conference of the party in the area of development of the industrial sector.

1. Continued broadening and development of the industrial base by means of entering into new primary fields in a direction that embodies leader President Saddam Husayn's affirmation that Iraq should become an industrial country of the first rank.

2. Continuing to connect the task of industrial building in the country with Arab industrial integration in order to serve Arab economic integration.

3. Continued qualitative and quantitative development of industry.

4. Continued study of technology transfer for suitability and for the adaptation and development of technology in accordance with the conditions and needs of the country and the Arab nation to bring about qualitative development in industry.

5. Solving the constrictions in the areas of industrial production and organization of the flow of raw materials, and concentration on national production of them.

6. Serious consideration of the economics of the industrial plan, not from the angle of capitalist profit but for the sake of providing the socialist accumulation needed to serve the progress of the model socialist system, to be a model of competence and development of high performance.

[Number 7 is omitted from the text]

We can add other tasks, including:

8. The need to avoid expansion of industrial production beyond the needs of domestic consumption and the goals set for other types of demand, or which does not have the ability to compete with foreign goods in price, quality or both.

9. Continuing to realize close connections between the industrial sector and the agricultural sector in light of a commercial policy that aims to develop them both, and, also, realization of close connections between the branches of industry.

10. Continuing to raise the competence of the workers in the industrial sector, because this helps to lower the costs of industrial production.

Beginning from the existence of a course of development, all of our goals are not then achieved, even if the course is a continually rising one. In each stage, new principle tasks stand out, demanding to be implemented. Therefore, achievement of the tasks that were mentioned in the area of industrial development does not by its nature make us achieve our desired development goals in material and spiritual human development and the building of society, because the course of development is connected with political factors and economic and social variables and conformity to circumstances given by the stage and the topic of study.

Thus it is clear that the task of industrial development has continued in its course without pause since the establishment of the 17-30 July revolution, even during the past 5 years of the war, even though our economic circumstances were affected by the Syrian regime's audacious decision to prevent the flow of Iraqi oil through Syrian territory in 1982. The industrial capability of the country developed and our petroleum potential has developed in terms of the following indicators:

1. Iraq has about 115 billion barrels in petroleum reserves in addition to 40 billion barrels that might be added during the next 5 years. With this, Iraq is second in the world in petroleum reserves.

2. Implementation of new petroleum exporting projects, the first of which is implementation of the first stage of a project through Saudi territory to the Red Sea. It has an export capacity of 500,000 barrels per day. Iraqi oil began to be exported through this pipeline on 30 September 1985. A second project is to export oil through Turkish territory, alongside the existing pipeline, to increase the amount of oil exported.

3. The fact that the current export capacity for Iraqi oil has reached 1.5 million barrels per day, which will rise to 2 million barrels per day in 1987 and to 3 million barrels per day in 1988. These figures do not include the export capacity through Syrian territory or the Arab Gulf.

Thus Iraqi ascendency has become clear and conclusive in every area of military, political, economic, social and communications life. This contrasts with the decline and collapse that affects not only Iranian individuals but also all areas of life in Iran, particularly the military and economic areas. As our leader President Saddam Husayn said, "military supremacy is decisive, new openings have been made and, by the help of God, these openings in the area of the economy will develop, and the 6th year will be better than the 5th year of the war," especially after the destruction of Kharg Island, the basic source for financing the continued Iranian aggression, which will increase the depth of the military, economic, political, personal and social collapse in Iran so long as the Iranian regime does not respond to the call for truth, justice and peace.

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ISRAEL

PROGRESSIVE MOVEMENT FOR PEACE HOLDS FIRST CONFERENCE

Jerusalem AL-BAYADIR AL-SIYASI in Arabic 7 Sep 85 pp 35-36

[Article: "Constituent Conference of Progressive Movement for Peace; Extols 'Arafat's Wise Leadership; Internal Arab Support for PLO; Condemnation of Hafiz al-Asad's Sectarian Regime and Palestinian Dissidents"]

[Text] Under genuine and sincere national slogans--including "the PLO, which is committed to just Palestinian principles and precepts, has the right to negotiate in the name of our people"; "conscious steadfastness and diligent struggle are the bases of our movement for the sake of a liberated Palestinian state"; and "the progressive movement is an Arab heart and a sincere Palestinian voice"--under these and similar slogans in Hebrew, English, and Arabic, the constituent conference of the Progressive Movement for Peace was held in Nazareth from 22 to 25 August 1985 with the participation of delegations from the occupied Arab areas and of Israeli Arabs and also from the rational progressive Jewish groups which support the right of the Palestinian people to self-determination and the establishment of an independent state. The Progressive Movement thus reaffirmed itself as a legitimate social and political movement with its own constitution and institutions, following a difficult and arduous journey it has had to travel in the Israeli political climate. It is still being subjected to conspiracy by Israeli parties seeking Arab votes in total disregard for the legitimate rights of the Palestinian people and the Arab people within Israel.

On 21 April 1984, shortly before the slates of the 11th Knesset elections were formed, Arab personalities and representatives of the progressive national organizations met to discuss and debate two key questions:

1. Establishing a progressive Arab national organization to bring together Palestinian national progressive personalities living within the so-called Green Line.

2. Running for the Knesset on a slate independent of the other existing political parties.

This matter flashed a red light in parties and slates seeking Arab votes without political representation. Immediately following the founding of the Progressive Movement. Arab elements, including the al-Nahdah Group and the

Nazareth Progressive Movement Group, formed a coalition with the Jewish Progressive Alternate, led by Mati Peled, journalist Uri Avneri, Dr Ya'qov Arnon, and other members of the Israeli-Palestinian Peace Council. This coalition ran for the Knesset under the Progressive Peace slate headed by Knesset member Muhammad Mi'ari. Dr Mati Peled is an orientalist who used to be a Palestinian humanities professor before 1948.

The features of the Palestinian Arab National Progressive Movement, which is loyal to its Palestinian people within and outside the occupied land and which adheres to its just cause and national soil and opposes Israeli arrogance, were highlighted in the opening ceremony which included a large number of Arab and Israeli delegations from inside the homeland as well as from the occupied areas. Poet Fawzi Abdallah, the master of ceremonies, gave the opening address in which he said:

"In the name of the just cause of our Palestinian people and in the name of the cause of our Palestinian people inside our homeland which is a sacred, inalienable right and for the sake of which our strength must go on, and the cause of total equality and our right to live in dignity and freedom in our homeland, we proudly and respectfully announce the opening of the constituent conference of the Progressive Movement. This is an important turning point in the creation and progress of the movement which used to be the framework that commanded the greatest popular respect in our life since 1948. This framework was temporary and, as of today, the social and political organization process shall begin.

"We are quite aware of the serious circumstances in which the constitutent conference is being held. On the Israeli level, the fig leaf covering the defects of the Israeli rulers is starting to shake. Nonetheless, they will not give up their arrogance, extremist methods, rancorous statement, and insane actions, particularly with regard to our Palestinian people and to us inside the homeland who are an integral part of this superb people who only die standing up. The rulers of Israel practice all sorts of methods and work on all fronts, including the dreadful, odious occupation through which they engage in all sorts of oppression, national discrimination, injustice, and tyranny on the West Bank and the Gaza Strip and against us as well, foolishly announcing the possibility of peaceful coexistence, as though peace is a marketable slogan rather than rights, justice, and equality.

"The rulers of Israel are completely and primarily responsible for all the fascist and Kahanist movements spread all over the country, and on the West Bank and Gaza as well, in a way that threatens first and foremost Israel itself. These are stray sheep being defended by a minister or a foolish rabbi like Kahana, Raful, Abidou, Geula, and a long list of others. We hope God will guide them to the right path soon.

"We in the Progressive Movement and the Progressive List for Peace highly value the role of those progressive Jewish brothers who have become a scapegoat for Judaism because they reject all the morbid factors and phenomena rampant in Israel, because they actually work for the recognition of the Palestinian people's right to establish their own independent state on

national soil side-by-side with the Israeli state and because they repudiate this conflict because the crux of the conflict in the Middle East is the Palestinian question. Moreover, the (Jewish) brothers are working for total equality among all citizens in Israel. They are the progressive vanguard which is cooperating with the Progressive Movement and is seeking to broaden its dealings with it to the advantage of the Palestinian and Jewish people and that of all the citizens of the state.

"We are well aware of the circumstances under which the conference is being held. Arab and international reaction is struggling with American colonialism over the rights of the Palestinian people, but we do not fear for our people because they have become a highly productive olive tree.

"We in the Progressive Movement have a sound Palestinian perspective. We have and still declare that the PLO is the sole legitimate representative of the Palestinian people. The PLO, through its elected democratic leadership, is free to act on all political issues and is capable of overcoming oppression and eliminating injustices. The Palestinian legitimacy is indivisible for it is not a garment we don whenever we please and shed whenever we please. It is neither a commodity nor a mood nor a state, it is an established fact."

Fawzi Abdallah was followed by Rashid Salim who delivered a long and comprehensive speech in which he reviewed the communique of the Progressive Movement's regional administration. He reviewed the prevailing conditions and circumstances and the problems plaguing the movement since its establishment. He focused on the right of the Palestinian people to set up their own independent state, saying that the Lebanese have exposed the tattered Arab regime's feeble reality to the whole world, and to the Arab peoples in particular. This regime watched the Palestinians being massacred before the Israeli legions at the hands of the Syrian and Lebanese forces and the Amal militias without voicing even a protest and without allowing their peoples to stage a protest against such barbarous massacres.

Dr Rashid Salim touched on the Jordanian-Palestinian plan, saying: "Whereas we have confidence in the PLO and its ability and whereas we believe in its legitimacy, its collective democratic action and its independent decision-making process, we can be assured that this leadership will adopt decisions it deems appropriate for the settlement of the Palestinian questions in accordance with prevailing precepts and circumstances."

Dr Abd-al-Raziq Rashid, dean of student affairs at al-Najah National University, delivered a speech in which he saluted the Progressive List, saying: "The circumstances are not free of difficulties and we are aware of the extent of the obstacles and the gravity of the problems facing us as Arabs and Jews. We have a common mission, so let us fulfill it hand in hand and shoulder to shoulder."

Dr Thabit Ahmad Thabit, president of the dentists union on the occupied West Bank, gave a brief speech in which he said: "It is not strange to see such rallying around your movement, for it emanates from the tragedy we both share.

You have long endured the problems of the Palestinian struggle. We salute and support all groups which believe in our people's right to self-determination on our land through the establishment of our Palestinian state on our blessed land."

Journalist Uri Avneri, leader of the Alternative List, who had formed an alliance with the Progressive Movement, thus forming the Progressive List headed by Knesset member Muhammad Mi'ari, gave a speech in which he said: "For 37 years, I have waited for this day on which a proud and high-minded Palestinian Arab movement is born so that we may cooperate together in our common struggle for the sake of peace. No peace can exist between master and slave or between oppressor and oppressed. Peace can only be established among proud, lofty people.

"The Progressive Movement is a Palestinian movement very proud of its identity."

Final Communique

1. The Palestinian masses in Israel are a vital and integral part of the Palestinian people as a whole who are part of our Arab nation. They can contribute to the establishment of a just peace between the two peoples.

2. The Palestinian masses in Israel are a fraternal ethnic minority with national rights. The Israeli authorities have to acknowledge them and deal with them on this basis as well as on the basis that Israel is a state of all the people.

3. We the Palestinian Arabs in Israel who are citizens with full citizenship rights carry the appeal of the Arab and Jewish masses in Israel and the world regarding the Palestinian people's right to self-determination for the sake of establishing a just and lasting peace in the region and for full equality between us and our Jewish brothers in the state.

4. The Palestinian cause is a question of existence, rights, and the future of humanity and of the Palestinian people, as set forth in various UN resolutions and of their self-determination and the establishment of an independent state on their national soil, side by side with Israel under the leadership of their sole legitimate representative, the PLO.

5. Respect and support for an independent Palestinian national decision-making process through legitimate Palestinian institutions and rejection of all endeavors at tutelage and containment, regardless of the source.

6. All the countries of the world, Israel and the United States in particular, are asked to recognize the PLO as the sole legitimate representative of the Palestinian Arab people.

7. Israel must totally withdraw from all Palestinian territory occupied in 1967, foremost among which is Arab Jerusalem, and must restore these areas to their rightful owners, namely the Palestinian Arab people, for the sake of a just and lasting peace.

8. Israel must work for getting the region out of the war vortex and must divert all efforts to establish a just peace with our Arab nation, at the head of which is our Palestinian people, and to remove all the causes of war, displacement, persecution, and expansionism.

9. Conscious and persistent struggle against all plans aimed at squandering Palestinian national rights and liquidating the Palestinian cause and at spreading colonialist hegemony over our entire region, the Camp David plan and its outcome in particular such as the autonomy plan, the so-called Jordanian option put forth by the Labor Alignment Party, the Reagan plan, and the rest of the plans and interpretations that ignore the free, independent Palestinian will.

10. Reaffirmation of the necessity to put an immediate stop to all settlements on Arab soil and of the government's obligation to uphold international law and practices and to carry out the resolutions of the international community represented by international agencies and organizations, chiefly the United Nations and its official institutions.

11. Support for the national struggle of the inhabitants of the Arab Syrian Golan Heights in their endeavor to retain their national identity and full rights to their land and properties, as well as their right to self-determination, and to work for the total and unconditional Israeli withdrawal from occupied Syrian territory and from South Lebanon.

Regarding internal conditions and policies, several resolutions were adopted, all calling for true and complete equality among all citizens in the state of the various cultural, political, social, and union fields. They also called for eliminating all kinds of discrimination, chiefly those laws and regulations which discriminate in letter and spirit against the Arabs. They are: the emergency regulations of 1945, the real estate laws, the absentee landlord laws, and the repatriation law as well as the social laws such as the national insurance law, the large family law, and laws that discriminate against Arabs in universities with regard to tuition, scholarships, and dismissal and admission requirements.

Moreover, the conference called for raising the level of education among Arabs and for the introduction of all modern educational fields and courses and for industrial and technological instruction. It also called for a radical change in required courses and curricula in Arabic schools, by recruiting them in a way that respects the Palestinian national heritage, history, and literature and enhances the students' pride in their Palestinian and Arab identity and for the establishment of an Arab university and modern theoretical and vocational schools and research centers. The conference further called for respect for religion and belief and for freedom to practice religious rites for all citizens, each according to his persuasion. The movement calls for the complete preservation of all religious and historical sites, particularly mosques, churches, and cemeteries, and for their return to their owners. It also calls for all kinds of efforts for the liberation of the Islamic "waqf."

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KUWAIT

RELATIONS WITH WEST GERMANY EXAMINED

Riyadh AL-RIYAD in Arabic 4 Sep 85 p 15

[Article: "Dossier of Kuwaiti-German Relations; Kuwait and Germany Meet Within Framework of Arab-German Relations and Under Canopy of Friendship and Participation in Building Civilization; 1982 German Exports to Kuwait More Than 1 Billion Marks and Kuwaiti Exports to Germany 400 Million Marks"]

[Excerpt] Kuwait--KUNA--Hans-Dietrich Genscher, West Germany's minister of foreign affairs, concluded his official visit to Kuwait 2 days ago (Monday). Genscher was accompanied on his visit by a political, economic, and technical delegation comprised of 50 members to discuss the area's issues and Kuwaiti-FRG bilateral relations. The KUNA [KUWAITI NEWS AGENCY] Information and Research Department published the following report on this occasion:

Kuwaiti-German relations have represented an example of the balanced and firm relations between the Arab and German nations for a long time. They are relations that are characterized by empathy and that have witnessed a flourishing of political, economic, and cultural relations. Like any other international relationship, these relations have also experienced shakiness and decline in certain phases.

Within the framework of Arab-German relations, the State of Kuwait and the FRG try to meet on the principle of seeking to establish cooperation between states for the development of the peoples' legitimate interests under the canopy of friendship and participation in the building of civilization and of entrenching the foundations of world peace.

Even though the two states differ in national, geographic, and historical affiliations and even though the policy of each of them follows the course which the state views as achieving its principles and as being compatible with its interests, no clash has occurred between the two states in exchanging joint interests because the two countries' relations have been founded on and have developed in the context of mutual respect between them, of a full understanding of their interests, and of their eagerness to develop these interests.

Kuwait and the FRG exchange diplomatic representatives at the ambassadorial level and contacts are established between the two sides at the political, economic, cultural, and scientific cooperation levels through the exchange of visits by the two states' officials and through the conclusion of economic and scientific agreements.

Joint Cooperation in Solar Energy Research

The current visit to Kuwait by the FRG minister of foreign affairs comes within the framework of constant and direct contacts between the two countries and as a result of the talks held by Dr Volker Hauff, FRG minister of research and technology, in May 1978 with officials of the Kuwaiti Ministry of Electricity and Water. At that time a joint protocol was issued containing the outcome of the talks and the agreements concluded between the two sides in the sphere of scientific and technological cooperation and of bolstering the joint activities of mutual interest that are capable of bolstering the ties of friendship between the two countries.

It was then decided to establish firm relations between the research institutes, including the industrial research facilities, and to give priority to studies on energy, water desalination, and biotechnology.

In those talks, the two sides expressed their satisfaction with the fact that the first joint project for the generation of electricity from solar energy had been started. It was also agreed to set up other joint projects in the sphere of solar heating and cooling and the sphere of reverse osmosis for the purpose of desalinating sea water and underground saline water.

When Dr Heinrich Wersdoerfer assumed his position as FRG ambassador to Kuwait at the beginning of 1982, he made a press statement in which he lauded the strong relations between his country and the State of Kuwait, saying that there are numerous economic spheres that bind the two friendly countries and that he had noticed a sincere desire on the part of Kuwaitis to invest in West German firms.

He added that his country ranked second behind the United States in attracting Kuwaiti investors.

More Than 1 Billion Marks in German Exports to Kuwait in 1982

In February 1982, Lothar Spaeth, minister president of the Land of Baden-Wuettemberg of the FRG, paid a visit to Kuwait during which he met with his highness the amir of Kuwait, his highness the crown prince and prime minister, and prominent Kuwaiti officials.

At a press conference he held before returning to his country, Spaeth announced that the value of German exports to Kuwait amounted to 1.4 billion marks while the value of Kuwaiti exports to the FRG amounted to 400 million marks.

The direct investments made by German firms in Kuwait amounted to 5 million marks whereas Kuwaiti investments in Germany amounted to 363 million marks.

Spaeth also announced that he had visited the solar energy project of the Kuwaiti Scientific Research Institute, the new project for the desalination of water by the process developed by the FRG, and the (NAMISTO) Truck Assembly Company in al-Shu'aybah area, which operates on a license from the German Magirus Deutz Firm.

The general director of Stuttgart University visited Kuwait at the same time as the head of the delegation which held cultural cooperation talks with the director of Kuwait University.

Dr Otto Graf Lambsdorff, the FRG minister of economy, visited Kuwait in January 1980 and in December 1982 and his talks with Kuwaiti officials focused on strengthening trade and economic relations between the two countries under the canopy of the economic developments being witnessed in international economic activity.

Cultural Cooperation

At the level of cultural cooperation, the Institute for Studying the History of Sciences Among Arabs and Muslims has been set up in Frankfurt with the encouragement of Kuwait and a number of Arab and Islamic countries. Kuwait contributed 6 million marks to provide the proper premises for the institute. 'Abd-al-'Aziz Husayn, then minister of state for premiership affairs and chairman of the National Council for Culture, Arts, and Literature, attended the first meeting held in Frankfurt by the officials in charge of the institute project in February 1981 to draw up the institute's constitution and to form the board of trustees with the participation of a number of Arab ministers of education.

On 19 January 1984, Gerhard Stoltenberg, the FRG minister of finance, gave KUNA an exclusive interview in which he praised the wise and far-sighted policy followed by the State of Kuwait in the sphere of foreign investments, saying that his government welcomes all the beneficial investments made by the friendly Arab Gulf states, led by Kuwait, especially in the strong industrial sectors that are not affected by transient economic difficulties.

On 27 January 1984, Anton Jaumann, minister of economics and transport of the Land of Bavaria of the FRG, visited Kuwait and held talks with prominent Kuwaiti officials, focusing on bilateral relations and the means to bolster them in the various spheres. The talks also dealt with the possibility of setting up joint production projects and of strengthening trade exchanges, as well as the possibilities for Bavaria to expand the spheres of exporting agricultural and manufactured products to Kuwait.

On 28 March 1985, Albert Probst, undersecretary in the FRG Ministry of Research and Technology, underlined in an exclusive interview with KUNA

his country's readiness to continue bolstering cooperation with Kuwait in the sphere of scientific and technological research.

He said that the new projects that are possible to achieve in the coming years will be defined on the basis of Kuwait's resources and of the priorities Kuwait establishes in its development plans generally and in the sphere of scientific and technological research in particular. He noted that the water problem and the energy sector, especially the use of solar energy to desalinate sea water and to develop agricultural technologies for desert lands, are among the spheres that offer an enormous potential for new scientific projects that are economically beneficial to both countries.

Statistics issued by the Central Bank of Kuwait show that Kuwait's imports from the FRG rose in 1980, 1981, and 1982 to 151.5 million dinars, 233.8 million dinars, and 332.6 million dinars, successively, constituting 8.6 percent, 12 percent, and 13.9 percent, respectively, of Kuwait's total imports. As for the yield of long-term government bonds in 1980, 1981, 1982, 1983, and 1984, it fluctuated as follows: 9.19 percent, 9.71 percent, 7.90 percent, 8.38 percent, and 7.17 percent, respectively.

AL-IQTISAD magazine, published by the Kuwaiti Chamber of Commerce and Industry, cited the following statistics on FRG exports to Kuwait in 1980, 1981, 1982, 1983, and 1984: 899 million marks, 1.4 billion marks, 1.977,000,000 marks, 1,971,000,000 marks, and 1,789,000,000 marks, respectively.

Political Relations

At the level of political relations, Gunther (Van Viel), undersecretary of the FRG Ministry of Foreign Affairs, visited Kuwait in February 1981 and held talks with Rashid al-Rashid, then undersecretary of the Kuwaiti Ministry of Foreign Affairs, on bilateral relations between the two countries in particular and on Arab-German relations generally. Al-Rashid stated that the discussion also dealt with the issue of Arab-European cooperation through the Arab-European dialogue. Al-Rashid further noted that the discussion dealt with the Middle East area situation and said that he had explained to his German counterpart Kuwait's position on a number of international issues. Al-Rashid added: We stressed to him the need for European countries to play a more effective role in solving the Middle East issue and in implementing the UN resolutions in this regard.

Al-Rashid also pointed out that (Van Viel) had lauded the friendly relations between Kuwait and West Germany and underlined his country's wish to develop and enhance these relations and also to develop cooperative relations between the European group and the Arab Gulf states.

On 25 April 1981, a German parliamentary delegation headed by the FRG minister of education and sciences visited Kuwait to establish relations with the Kuwaiti National Assembly for the sake of future cooperation.

The delegation chairman lauded the return of parliamentary life to Kuwait, saying that Kuwait has a clear concept of its future policies. He also said that his country not only seeks to establish economic cooperation but also wants comprehensive bilateral cooperation between the two countries.

The visit made to Kuwait by Hans-Dietrich Genscher last Monday has bolstered political and bilateral contacts between Kuwait and the FRG.

GCC States and European Market

The German minister of foreign affairs has his political positions and opinions on the Palestinian issue, the Middle East issue, the Arab-European dialogue, East-West relations, and efforts for disarmament and to curtail the international armaments race.

In an address he delivered to a ceremony held by the Union of the Near East and Middle East, Genscher said: The FRG will soon present tangible proposals for regional cooperation between the EEC countries and the GCC countries similar to the kind of cooperation found in the Southeast Asia Countries Group.

He said that he believes in the need for such cooperation, which is beneficial to both sides.

He added that his government welcomes regional cooperation with the GCC countries and welcomes the GCC's participation in efforts to seek social and economic progress and political stability.

He also expressed the opinion that the "possibilities of firmer political and economic cooperation between the EEC and the GCC" have not been exploited as they should.

Genscher also underlined the importance of the role which the GCC countries will play in the future, especially since they produce nearly 20 percent of the world's crude oil and since they possess 55 percent of the oil reserves discovered so far.

Genscher stressed that the GCC countries contribute strongly to the efforts for stability in the Gulf area and that the dangers emanating from the Iraq-Iran dispute have highlighted the need for this cooperation in a stronger manner than in the past.

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KUWAIT STRUGGLES TO MAINTAIN DEMOCRACY

Paris LE MONDE in French 26 Nov 85 pp 1, 4-5

[Article by Jean Gueyras: "Kuwait: The Emirate Without Despotism"]

[Text] Kuwait--At the Kuwait International Airport, no special security measures would indicate that this rich oil emirate in the Gulf lives under the constant threat of the expansion of a war some 60 kilometers north that has been waged by its two powerful Iraqi and Iranian neighbors for 5 years. It is even calm in the city; most of the public buildings have no extra protection. Only a few ministries are protected against possible boobytrapped cars. An army tank guards the French Embassy. The American Embassy has been turned into a veritable bunker and is protected by an imposing security arrangement. These two diplomatic missions were the targets of bombings in December 1983.

The attempt to assassinate Kuwaiti Emir Jaber el Sabah in May 1985 and, a month and a half later, the two bloody attacks on popular cafes located on the road were followed by police measures in the capital: mobile barricades of the gendarmerie and searches, especially at nightfall. Since that time, the casual attitude that is one of the distinctive traits of Kuwaitis has gained the upper hand. Inspections have become less frequent, except at the entrance of certain supermarkets, where guards carelessly go through housewives' bags.

When one questions Kuwaiti officials about the authors of the May and July attacks, one obtains evasive replies: "We know absolutely nothing. The investigation led nowhere, contrary to what was stated," we were told by Souleyma[illegible]e Chahine, undersecretary of state for foreign affairs. "We have never challenged Iran and Syria. I think that we are rather dealing with an elusive form of terrorism that has become an international means of expression, an endemic disease of modern times."

And yet, the attempt to assassinate the emir was claimed by the Islamic Jihad. "That means nothing," says Chahine. "We attach no importance to such labels, which for us have no special significance." At the time, the Jihad had demanded the release of 17 Arabs, most of them Lebanese or Iraqi Shiites sentenced after the December 1983 attacks. "Those persons were tried properly by Kuwaiti courts and had ample opportunity to defend themselves. There can be no question of our going against rulings handed down by our own courts of justice and freeing them." Kuwaiti officials are quite determined not to

yield to the terrorist blackmail, but they are also very cautious and determined to avoid any useless provocation. Consequently, death sentences pronounced against three of the terrorists were not ratified by the emir and probably will never be.

In the meantime, sometimes brutal deportation measures were taken against some 6,000 "suspects," most of them Lebanese, Syrian or Iraqi nationals and mainly Shiites, who, according to Kuwaiti authorities, maintained relations with the Lebanese Shiite movement Amal and paid regular contributions to it. Some of those deported had resided in the country for many years but nevertheless had only 48 hours to pack their bags!

Actually, the real figure on the deportees reportedly amounts to some 15,000 and includes immigrant workers without legal documents. It would appear that the authorities took advantage of the attacks to "clean up" the labor market on which the relatively unskilled Arabs are gradually being replaced by Christian Asians (Filipinos or Singhalese) less demanding about their pay and caring little about regional and local politics.

Aid to Iraq: an "Arab Obligation"

The attempts on the part of some newspapers to rouse public opinion against the Kuwaiti population of the Shiite religion lasted for a long time. No one here believes that the Kuwaiti Shiites, who since the beginning of the conflict in the Gulf have adopted a low profile and are divided with respect to their view of the Khomeyni phenomenon, participated in those attacks. Whatever the case, Kuwaiti officials have never questioned native Shiites, who make up about a quarter of the population and are considered as "first-class" citizens enjoying all the rights provided by the constitution. Officials also try not to poison relations with Iran, which maintains a large embassy in Kuwait.

When questioned about Kuwait's precise position on the conflict in the Gulf, emirate officials willingly admit that they are helping Iraq. "You must not forget," they say, "that we are an Arab nation and have an Arab obligation in the definition of our foreign policy." Of what does that aid consist? First of all, there are the transit agreements -- no one here denies them -- that allow Iraq to receive goods through Kuwaiti ports that cannot be unloaded at its Chatt-el-Arab ports, paralyzed since the beginning of the conflict. The Kuwaitis say on this subject that these agreements exclude the transit of any strategic materiel that might facilitate the Iraqi war effort. But how is one to determine the true nature of the shipments? Did the rails seized by Iranians on the Kuwaiti freighter "Al Wattyeh" early in September at the entrance to the Strait of Ormuz constitute strategic materiel or were they to be used for strictly civilian purposes?

Actually, the major portion of Kuwait's aid is financial assistance supplied by the emirate jointly with Saudi Arabia, the two countries selling Baghdad 300,000 barrels of oil a day, meaning all offshore production from the neutral zone jointly administered by Kuwait and Saudi Arabia. Some say, with the secret intention of pacifying the Iranians, that this aid will be interrupted as soon as Iraq's oil production has increased by 500,000 barrels a day with

operation of the new pipeline connecting Iraqi oil fields to the Saudi port of Yanbou. On this point. Kuwaiti officials remain very discreet, obviously wishing not to upset Iraq, which deems that the financial aid supplied by Saudi Arabia and Kuwait comes from Bassorah Province.

Above all, they have not agreed to join with the emirate in signing an agreement precisely defining the border separating the two countries. This would indicate that Baghdad still has territorial claims to present to the oil emirate. In particular, the Iraqis would like in one way or another to control the Kuwaiti islands of Boubiyan and Warbah, which command access to the Iraqi port of Oum-el-Qasr. In order better to assert their sovereignty over these practically uninhabited territories, the Kuwaitis have established a symbolic armed presence on the two islands, setting up permanent military barracks. In addition, they have linked Boubiyan to the continent by a bridge built in 1982 by Bouygues and are trying to develop in the interior of the island a road system which they also plan to link to Warbah by a bridge.

Endowed with practically undefendable borders and an army that cannot reasonably hope to compare with its powerful neighbors, Kuwait was among the staunchest supporters of the creation of the Gulf Cooperation Council (CCG) as an instrument aimed at maintaining the oil monarchies safe from hegemonic aims and ambitions, not only on the part of Iran, but also certain Arab countries never mentioned, particularly Iraq and Syria. Only Saudi Arabia, the oil monarchy par excellence, remains above any hegemonic suspicion. But a muted rivalry has spring up within the CCG between Kuwait and Ryad, now two antagonistic poles of attraction within the Council.

Regarding international relations, Kuwaiti leaders, who, while reaffirming their attachment to the West, recommend strict neutrality between the socialist camp and the United States, try to convince their partners in the CCG to rebalance their foreign policy by normalizing relations with the USSR and countries of the socialist bloc and remaining at a certain distance vis-a-vis Washington. With the recent decision of the sultanate of Oman to establish diplomatic relations with the USSR, Kuwait has just won an initial victory in that field. On the other hand, the emirate has still not succeeded in persuading its partners in the Council to follow its example by instituting a kind of parliamentary democracy in their countries resembling the Kuwaiti model.

Who Threatens the Democratic Experience?

As far as they are concerned, the Kuwaitis are firmly determined, despite the many pressures to which they are subjected by some of their allies in the Gulf, to continue their parliamentary experiment. In officially opening, amidst great pomp at the end of October, the new and imposing ultramodern National Assembly building, the emirate's officials wanted to demonstrate that for them, there is no other path than parliamentary democracy. Everyone here agrees that "without the National Assembly, Kuwait would no longer be Kuwait."

But who then opposes the Kuwaiti parliamentary experiment? The answer to this question generally remains elusive. But Ahmed Rabei, the new deputy from the Democratic Rally, is absolutely categorical. For him, "the No 1 enemy of

Kuwaiti democracy is Saudi Arabia" and some of the "countries that surround us who do not even know what a constitution and the most elementary human rights are." Three members of the Democratic Rally were elected to Parliament in February, including the veteran of Arab politics Ahmed Khatib, one of the founders, along with Georges Habache, of the Arab Nationalist Movement in the early 1950's. These three leftist deputies, along with the two elected officials from the National Rally of Jassem El Qatami, a pro-Nasir faction, constitute the nationalist leftist bloc whose activism in August 1976 was partly the cause of the suspension of four articles of the constitution and the dissolution of the Assembly for nearly 5 years.

Less Virulent Islamists

The leaders of the Democratic Rally have often been labeled as "crypto-Marxists," which they vigorously deny, pointing out that their program has no Marxist claims, but only democratic slogans. Ahmed Khatib, who in 1963 was a member of the first Parliament, who drafted the emirate's constitution, never misses an opportunity to define his movement as a rally of "constitutionalists, democrats and nationalists slightly tainted with leftist ideas." Toning down his radicalism of a dozen years ago, he repeats to all who would hear that, compared with other Arab countries, "we live in a paradise here in Kuwait."

The nationalist leftist bloc was the big loser of the February 1981 elections that permitted the "Islamists" representing fundamentalist religious factions grouped together to enter Parliament in force. They then numbered seven religious deputies, including four Sunnites, representing the *Islahiyyin* (reformists) of the somewhat liberal Society for Social Reform (two deputies) and the *Salafiyyin* (precursors) of the Society for the Renaissance of the Islamic Heritage (two deputies). The Shiites, for their part, were represented in Parliament by three deputies belonging to the Society of Social Culture, vaguely pro-Iranian.

The number of "Islamist" deputies reelected to the new Parliament is practically identical to that of the 1981 elections. But the most extremist among them were blackballed and replaced by moderates wishing to reconcile Islam and nationalism. Thus it was that the famous and picturesque Khaled Sultan, the leader of the Salafiyyin, disappeared from the political scene. He had frightened and amused Kuwaitis by his long tirades on Islamic morals. In particular, he had managed to have alcohol banned even from foreign embassies and had futilely tried to impose the severe Puritanism of the Salafiyyin on Kuwaiti society. The Salafiyyin, distinguished from the Islahiyyin by their full beards and a mini-*dishdasha* (a short robe stopping just above the knees), which garment would, according to them, be worn by the "real disciples of the Prophet," recommend a return to the "simple life of the time of Muhammad."

Among the "Islamist" moderates elected to the new Parliament is, first of all, Deputy Abdallah Nafissi, a Muslim Brotherhood professor who became a liberal following frequent visits to Cambridge, where he studied. In 1978, in a stunning work, he criticized the "antidemocratic positions" of the reigning family, which caused him to be driven from the university. His passport was confiscated and not given back until 15 months later. Since that affair, he

has taught abroad, first at Exeter University in England, then in Abu Dhabi. He did not return to Kuwait until the beginning of the year to take part in the elections.

Since his entry into Parliament, he has become the de facto spokesman of the Islamist group whose religious extremism he often tempers. "The only disagreements existing between us and Nafissi," we were told by Ismail Chatti, editor of the weekly AL MOUGTAMAA, which reflects the views of the Islahiyyin, "stems from the fact that, unlike most of us, he does not live in a religious environment." Nafissi, who was elected from the same district as Ahmed Rabei, with whom he gets along perfectly, says that his political conceptions coincide essentially with those of the Progressive Rally. "We both place emphasis on the importance of social justice and political democracy," he said. "We agree on almost all points except the problem of religion and Islam, which our progressive friends would like to see remain inside the mosques."

Young, Educated, Effective Deputies

Together, Nafissi and Rabei, both formidable speakers, have waged the battle against Cheikh Salmane El Daij, the Kuwaiti minister of justice, accused of having promulgated laws on the crisis of Souq el Mankh favoring members of his entourage. Pressed with questions -- a right which the constitution grants deputies -- Cheikh Salame, who is part of the ruling family, lost his cool and lashed out at his censors before admitting defeat and resigning from his position. The government that in the beginning had supported the minister of justice let him go as soon as he made the fatal mistake of indiscriminately bombarding the deputies who questioned him with accusations.

In this first test of strength against the Executive Branch, the new Assembly turned out to be more serious and effective than those preceding it. The average age of the deputies in the New Assembly varies between 34 and 43 and the proportion of professors went from 34 to 46 percent. Elected officials do not hesitate to surround themselves with advisers or experts instructed to draw up precise dossiers on subjects on the agenda.

In other words, the 15 members of the government, most of them apolitical technocrats whom the emir appointed, will have their task cut out for them. The new deputies have let it be known, moreover, that they do not want any rump Parliament whose sole function would be to ratify decisions made above. Rather, they want a "muscled reform" of institutions and society, along with restoration of public morals, with the total eradication of corruption. Chatti does not hesitate to affirm: "We are now strong and we want to act first of all by applying the spirit of the constitution and then by controlling the application of the principles it contains. The government and the ruling family must participate in this undertaking of public wholesomeness." Rabei, the dynamic deputy from the Democratic Rally, believes, for his part, that Parliament must play the role of the "watchman of government."

It remains to be seen whether the government and the palace are ready to accept the interplay of the elected officials by turning Parliament into a real instrument of control of the Executive Branch.

Disagreement on Santa Fe Affair

At the beginning of October, Prime Minister Cheikh Saad, speaking through the minister of state for Cabinet affairs, Rachid El Rachid, sent a scarcely veiled warning to the deputies, firmly asking them to put an end to the campaign of denigration waged against the minister of oil, Cheikh Ali Khalifa. The latter, like the unfortunate minister of justice who resigned from office in July, is a member of the royal family and for some time has been on the hot seat for his management of the Ministry of Oil and especially, the very unusual circumstances that, according to some deputies, surrounded the purchase of Santa Fe, an American engineering company bought in 1982 by the Kuwait Petroleum Corporation (KPC).

But Cheikh Ali Khalifa is not Cheikh Salmane el Daij. He is considered to be one of the most talented ministers in the current government and enjoys the complete confidence of the government and ruling family, which thrice rejected his offer to resign. Moreover, he has acted up to now with remarkable sangfroid and seems willing to respond impassionately to questions asked by the deputies. Abdallah Nafissi, who, he revealed, asked him a series of 33 questions, not only brings up the Santa Fe affair, but also his management of the KPC and his "refusal to 'Kuwaitize' the oil industry, now managed by Arab or foreign personnel, while the country has a large number of capable technicians and experts."

The outcome of the Santa Fe battle will probably determine the future of the parliamentary institution in Kuwait. Already rumors are circulating in the capital on a possible dissolution of the National Assembly if the deputies are not reasonable enough. There is talk of "disagreement" in the palace on the subject and members of the Jaber branch of the family of the Sabah are reportedly for continuation of the parliamentary experiment, while the Salem branch, headed by prince and heir Cheikh Saad, is said to favor, rather than outright dissolution, the muzzling of Parliament, which would then be nothing more than a "recording chamber" destined to give a "democratic luster" to the Sabah regime.

The threat to Parliament is taken seriously by the deputies, who are determined to remain firm on the principles, without giving rise to useless provocations that would play into the hands of those who, among the businessmen in Kuwait, believe that the National Assembly interferes "too much in things that are not its business." "Naturally," says Ahmed Rabei, "there are in the government and the country forces that are hostile to the continuation of the parliamentary experiment, but they are not sufficiently strong, for the National Assembly is very popular and will be able to overcome all attempts to diminish its role."

Nevertheless, to do so, the current Islamist-nationalist opposition would have to maintain its cohesion threatened by the controversial problem of mixed university education and through it, the role of women in Kuwaiti society.

But Women Do Not Yet Vote

In officially opening, in February 1981, the new National Assembly elected after a parliamentary recess that lasted nearly 5 years, the head of the government, Cheikh Saad, said that "it was high time that women participate more actively in the planning and leadership of the country's affairs." This little phrase pronounced by the prime minister, who is at the same time the heir to the throne and therefore the future reigning emir, gave immense hope and unlimited optimism to the feminist movement. It was in fact interpreted as a green light to the country's leaders to grant women the right to vote and to be elected to Parliament.

But the illusion was short-lived. If he had truly wanted to grant women their political rights, the prime minister, who had exceptional powers during the 1976-1981 period when Parliament was dissolved, could have made a decision in that sense by decree, as the constitution expressly provides. The statements by Saad were therefore circumstantial remarks uttered to calm the women's impatience. They saw this only 2 weeks after the speech, when the deputies refused, by a vote of 27 to 7, to grant them the long-awaited right to vote.

The National Assembly's decision was all the more frustrating because Kuwaiti women had at the time won a series of important victories against masculine prejudice at the time. Moreover, the constitution grants them the right to property and work and unreservedly condemns any discrimination based on sex, race or religious beliefs. Regarding elections, however, it says only that all "first-class citizens" have the right to vote. It is the election law that denies it to women.

In practice, the Kuwaiti woman is the most "liberated" in the Gulf and participates in practically all public activities. She can drive a car, which is not the case of her Saudi sisters, and take up an active and independent professional life. In Kuwait, one meets Western-type businesswomen who own and head banks, factories or businesses. Others have high posts in the administration and the government and there are at least five who are undersecretaries of state, one in the Ministry of Oil. After the crash of Souq el Manakh, it was noted that women were the most avid speculators. Out of the 90 persons whose assets were frozen by authorities responsible for rehabilitating the financial situation of the parallel stock exchange, 25 were women.

Koran, Cooking and Children

If women do not succeed in obtaining their civic rights through their struggle, they owe it partially to their own divisions. Of the four organizations that deal with their problems, only two: the Young Women's Club and the Women's Cultural and Social Society, are totally committed to the battle to defend women's rights. The third, the Society for the Defense of Islam, is little interested in the feminist movement, while the fourth, the Society for the Propagation of Peace, openly Islamist and constituting the feminine branch of the Society for Social Reform, which defends views close to those of the Muslim Brotherhood, is categorically opposed to granting the right to vote to women. Even worse, Cheikha Latifa, the wife of prince and heir Cheikh Saad, is, unlike

her husband, a passionate antifeminist and honorary president of the Society fo for the propagation of peace.

The attitude of the "Islamists" on the problem of women voting seems somewhat illogical, moreover. Ismail el Chatti, one of the leaders of their liberal faction and editor of the weekly EL MOUJTAMAA, is astonished that one can accuse the religious of being against women voting. According to him, "it is the traditionalist tribes in the country, largely represented in Parliament, and not the 'Islamists,' who prevent women from participating in elections." There are apparently divergencies within the Islamist movement between those who hope that the electoral body will be expanded to include women "who will vote -- there can be no doubt about it -- for the conservatives and the religious" and those, more traditionalist, who believe, like Cheikha Latifa, that "Muslim women must devote themselves to the Koran, cooking and the children." Furthermore, the experience of the university, where women students participate in elections for the councils of the different schools, has proved that the female vote has always helped religious groupings. It is perhaps for this reason that the nationalist and leftist groups, which know that the majority of the women will vote for the clerics, only pay lip service to the feminist cause, preferring to demand that the right to vote be granted to so-called "second-class" Kuwaiti citizens.

Whatever the case, the Islamists, while perhaps divided on the problem of the entry of women into Parliament, are openly against mixing in the university. Because of the small premises, having been unable to obtain separate classrooms, they have stepped up their efforts to convince women to wear the *hedjab* (Islamic garment), with some success because half of the women do. Eight years ago, the number was far smaller.

"For Islamists, the matter of 'co-education' takes on great importance," says Ismail Chatti, who says that the presence at the head of the Ministry of Education of Dr Hassan Ibrahim, a "pragmatist" who has practically imposed mixed education, represents a grave threat to youth, "much more serious than the Santa Fe affair and Cheikh Ali Khalifa."

Eight months after the opening of the new Parliament, the unity achieved around a program based on the defense of social justice and political democracy and involving the nationalist left and Islamist forces risks falling apart in the face of disagreement over the status of women in Kuwait.

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KUWAIT

INFORMATION MINISTER GIVES ASSESSMENT OF FOREIGN, LOCAL PRESS

London AL-MAJALLAH in Arabic 27 Nov-3 Dec 85 p 11

[Interview with Nasir Muhammad Ahmad al-Jabir, minister of information, by 'Abdallah ibn Muhammad Al al-Shaykh: "Shaykh Nasir Muhammad Ahmad al-Jabir to AL-MAJALLAH: I Will Not Receive Any Journalist Who Intentionally Seeks To Offend Kuwait"]

[Text] AL-MAJALLAH presented to Shaykh Nasir Muhammad al-Ahmad al-Jabir all the pending questions concerning the Kuwaiti government's conception of and approach to the information issues inside and outside the country. The Kuwaiti minister answered with the same frankness in this interview with colleague 'Abdallah ibn Muhammad Al al-Shaykh:

[Question] What is Kuwait's problem in dealing with the media?

[Answer] We in the Gulf area are facing numerous external problems that are embodied in tendentious propaganda. You often find this propaganda in the foreign press.

[Question] How do you confront these problems?

[Answer] Through coordination and cooperation. When we find that any foreign paper or information establishment offends any Gulf state, we boycott it after notifying it of our resentment. I believe that we have succeeded in this regard as a result of fruitful cooperation with the other Gulf states.

[Question] It is noticed that meetings with Gulf ministers of information have become almost nonexistent whereas such meetings used to be held periodically. Is this the result of a disagreement between you?

[Answer] The answer is definitely not. Our relationship is good and our latest meeting was held last April. It is true that the periodic meeting has been postponed but our contacts continue and there will be a meeting of the ministers of information shortly. I wish to say this to the ministers of information: We must meet because there are numerous cases on which the undersecretaries of information cannot make a decision and

where the decision must come at the level of the ministers. However, I wish to stress that we are a single family and that we often settle affairs and exchange opinions by phone. I personally contact them more than once a month.

[Question] Are there fundamental causes that have led to postponing scheduled meetings several times?

[Answer] No. There is a periodic annual meeting that has been postponed, as you have pointed out. We hope that the next meeting will be held this coming February in fraternal Iraq. There is another meeting of the GCC countries which has been postponed. I asked for the postponement because of my work engagements. We hope that the meeting will be held in Riyadh shortly.

[Question] Frankly, there are those who say that these meetings end up with resolutions that are not implemented. What is your response?

[Answer] Insofar as the conference of the Arab Gulf ministers of information is concerned, we are made up of seven states and we meet every year. Numerous resolutions have been implemented. These issues really do need time and we prefer to climb the ladder step by step.

[Question] Can you give us proof of this?

[Answer] There have been numerous accomplishments, of which I can cite the Gulf University which is headquartered in Bahrain. Here in Kuwait, we have the Petroleum Information Organization. In Qatar, we have the International Relations Committee which may be merged with the Petroleum Information Organization. But we are waiting to evaluate the experiment before embarking on this merger. Through these meetings and as a result of their convocation, a heritage committee has been formed and is headed by the UAE undersecretary of information. There are other committees also. We are moving forward, not backward.

[Question] What is the BBC [British Broadcasting Corporation] problem?

[Answer] This in itself is another example of cooperation. Fraternal Iraq was dissatisfied with the BBC at one time. We in Kuwait conveyed our resentment to the BBC, as did the minister of information in fraternal Saudi Arabia. Now matters have improved. We do not like to publicize what we do because we do not wish to create unnecessary sensitivities.

[Question] You have pointed out the presence of ongoing campaigns against the Gulf states. What do you do to confront them?

[Answer] Brother, I would like to say that we are not concerned with what is published and broadcast in the West. Let them write whatever they wish and do whatever they wish. What we do is that when we receive Western information delegations in Kuwait, we let them visit whatever they wish to visit. When they ask to meet me, I stipulate the sole condition that they publish the truth, even if only once.

[Question] And if they fail to do so?

[Answer] I refuse to receive again whoever visits Kuwait and then writes to offend it by upending the facts. Believe me, I have no objection if such a person criticizes me and writes accordingly, basing his criticism on facts.

[Question] What are the issues with which the Western media deal and which annoy you most?

[Answer] There are numerous issues. For example, oil prices are an issue to which the West is sensitive and in whose muddied waters the Western media like to fish.

[Question] Are you perhaps too sensitive to what is written about you?

[Answer] God knows that I have no objection to criticism or to writings against us if such reports are founded on facts. Our policy in Kuwait is summed up in demanding that the facts be published or broadcast, not distorted. We, like anybody who is concerned with the truth, are sensitive to distortion.

[Question] It is repeatedly said that the Arab citizen has lost confidence in the reports published and broadcast and that he has come to rely on the Western press and radio. What is your opinion of this charge?

[Answer] I believe that the Gulf radio stations are listened to. Our citizen has, of course, the option of listening to whatever he wishes. I believe that you are asking about the responsibility of an information medium. A radio station like Monte Carlo Radio may offer its audience news reports of the type that a radio station like Kuwait Radio does not broadcast. This may be true. But the difference is that we are concerned with the responsible nature of the news report. I assess the news reports I receive and permit them to be broadcast if they do not offend the fraternal countries. As for the foreign radio stations, they may not have somebody to bring them to account.

[Question] Regarding the news reports, why aren't the Arab news agencies, rather than the foreign news agencies, made the source of the reports?

[Answer] I believe that KUNA [KUWAITI NEWS AGENCY] is a source of news reports. It transmits its reports to both the Arab and the outside worlds and they in turn quote it.

[Question] What is the government's relationship with the Kuwaiti press?

[Answer] Our press is free and writes whatever it wishes. The printed materials and publication law protects this press from the government's authority.

[Question] But there have been problems between the two sides.

[Answer] The Kuwaiti press has lived with the events since Kuwait's independence and it makes known its opinion, which may be opposed to state policy. In such a case, the brother chief editors are notified of what is against state policy. Rest assured that they have self-control, which they exercise through their convictions and their concern for the country's interest. Yes, mistakes do happen. But we settle pending issues through personal relations.

[Question] In the wake of the latest events in Kuwait, what is your evaluation of the media's dealing with these events?

[Answer] The foreign media have exaggerated in focusing on these events. Kuwait has been and continues to be a secure country. Despite this, they describe it as unstable. In the streets of the United States, the biggest country in the world, many people are murdered every day. When we, as a small country, compare ourselves with others, we find that we are more secure and stable than they are.

[Question] What is your view of the expatriate press?

[Answer] I do not wish to comment and I content myself with reading.

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SAUDI ARABIA

LABOR AGENCY ISSUES STATISTICS ON LOCAL, FOREIGN LABOR

Riyadh AL-RIYAD in Arabic 29 Sep 85 p 12

[Article by Sa'd al-Huwaymil: "Ministry of Labor Asserts: National Manpower Has Grown by 75.4 Percent; National Labor Turns to Work in Non-production Professions; Drop in Rate of Permits for Production Workers in Southern Province"]

[Text] The number of national workers employed or seeking employment registered in the Labor Affairs Agency of the Ministry of Labor in 1404 of the Hegira increased by 75.4 percent over 1400 of the Hegira.

A report prepared by the agency says that the Western Province holds the top position in the kingdom in the number of those seeking employment, with their percentage ranging from 37.5 percent at its lowest level in 1402 of the Hegira to 52.6 percent at its highest level in 1403 of the Hegira. The Eastern Province ranks second behind the Western Province in the number of employment seekers, with their percentage ranging from 34.1 percent in 1400 of the Hegira to 38.1 percent in 1404 of the Hegira. Even though the number of employment seekers in the Central Province doubled in 1404 of the Hegira over 1400 of the Hegira, their percentage throughout the kingdom did not exceed 10 percent in the past 5 years. The number of employment seekers in the Southern Province was lower than their number in the Central Province in 1401 and 1403 of the Hegira and higher in other years. We find that the current number of employment seekers in the Southern Province is double their number in 1402, or 1,992 citizens. Meanwhile, their number in the Central Province is 994 citizens.

Numerical Distribution According to Age Groups

The report says that more than 75 percent of the work seekers in the year 1400 of the Hegira to 1400 [presumably 1404] of the Hegira are within the 20-45 year age group and that work seekers among adolescents up to 15 years of age did not exceed 1 percent in 1400 of the Hegira. This percentage has settled at 0.2 percent in the past 3 years. Moreover, work seekers in the 60-year and above age group amounted to 2.6 percent in 1401 of the Hegira but did not exceed 1.8 percent in 1400 of the Hegira and 0.8 percent in 1403 of the Hegira. As for work seekers in the 15-20

year age group, they did not exceed 10.5 percent throughout the past 5 years. Moreover, work seekers in the 45-60 year age group were within the limit of 10 percent in the past 4 years, even though this percentage came to 14.7 percent in 1404 of the Hegira.

Work Seekers According to Educational Need

From 1401 to 1404, the percentage of illiterate work seekers has been declining, dropping from 45.8 percent in 1401 of the Hegira to 30.7 percent in 1404 of the Hegira. As for work seekers who can read and write, the percentage dropped in the first 3 years from 30.9 percent in 1401 of the Hegira to 26.6 percent in 1403 of the Hegira but rose to 32.1 percent in 1404 of the Hegira. As for work seekers with an elementary school certificate, their percentage has been rising steadily in the past 4 years, increasing from 13.7 percent in 1401 of the Hegira to 23.6 percent in 1404 of the Hegira.

Moreover, the percentage of work seekers with an intermediate school certificate rose in the years 1401-1403 of the Hegira from 7.2 percent to 12.2 percent whereas this percentage dropped in 1404 of the Hegira by 2.4-4.9 percent below the percentage in 1401 of the Hegira. In the past 2 years, this percentage dropped to 4.8 percent in 1403 of the Hegira and to 4.4 percent in 1404 of the Hegira [percentages and years as published] even though the number of work seekers who have been employed has risen by 46.3 percent in 1404 of the Hegira over the number of those employed in 1400 of the Hegira and by 38.5 percent over those employed in 1403 of the Hegira. But the employment rate generally dropped from 98 percent in 1400 of the Hegira to 95.5 percent in 1403 of the Hegira and to 81.7 percent in 1404 of the Hegira. The year 1401 of the Hegira was the year in which the best employment rate was achieved, considering that all work seekers, numbering 10,889 citizens, were employed.

Employment During Summer Holidays

The rate of student employment during summer holidays rose in 1401 of the Hegira by 117.4 percent over the corresponding rate in 1400 and then increased by 20.1 percent, 33.1 percent, and 7.8 percent in the years 1402, 1403, and 1404 of the Hegira. Students working in the Eastern Province represent more than 50 percent of the total number of students working throughout the kingdom. In the Western Province, they represent more than 25 percent whereas the number of students working in the Central and Southern Provinces together does not exceed 21 percent of the total number of students working throughout the kingdom in the past 5 years. The Central Province's student employment rate dropped in 1404 of the Hegira by 5.3 percent below the rate of 1400 of the Hegira and by 1.3 percent below the employment rate of 1403 of the Hegira.

In the Western Province, the [1404] rate rose by 5.8 percent over the rate in 1400 of the Hegira and dropped by 1.1 percent below the rate in 1403 of the Hegira. In the Eastern Province, the rate dropped by 3.8 percent below the rate of 1400 of the Hegira and rose by 1.6 percent over the rate of 1403 of the Hegira. In the Southern Province, the rate rose

by 3.3 over the rate in 1400 of the Hegira and by 0.8 percent over the rate in 1403 of the Hegira. As for the rate of students working in the provinces according to qualification in the years 1401-1404 of the Hegira, the rate of working students in their university study phase rose from 14.8 percent in 1400 of the Hegira to 24.9 percent in 1404 of the Hegira. This increase came at the expense of a drop in the number of working students in the pre-university phase [marhalat al-kafa'ah] whose employment rate decreased from 24.9 percent in 1400 of the Hegira to 18 percent in 1404 of the Hegira. The employment rate during the summer holidays among high school students in the various branches did not change, staying within the limits of 57 percent of the total number of these students in the kingdom.

Foreign Workers and Permits Issued Them

One of the stipulations of work is that the foreign worker acquire a work permit after meeting the conditions required for the purpose. The permit is renewed once every 2 years for an imported worker and once every 4 years for workers exempted from the importation procedures because the need for these workers continues to exist. The total number of permits issued to foreign workers rose by 23.1 percent in 1403 of the Hegira and by 38.6 percent in 1404 of the Hegira over the number issued in 1400 of the Hegira.

As for the number of permits issued, the Central Province ranked first in 1403 of the Hegira, second in 1404 of the Hegira, and third in 1400 of the Hegira. The Western Province ranked first in 1400 and 1404 of the Hegira and third in 1403 of the Hegira. The Central Province ranked second in 1400 and 1403 of the Hegira and third in 1404 of the Hegira whereas the Southern Province has always ranked fourth. But the number of permits issued by this province has been increasing steadily throughout the past 5 years, rising from 17,171 permits in 1400 of the Hegira to 40,790 permits in 1403 of the Hegira and to 41,882 permits in 1404 of the Hegira.

The rate of permits issued to foreign workers in the Central Province rose by 44.6 percent in 1403 of the Hegira and by 44.2 percent in 1404 of the Hegira over the number issued in 1400 of the Hegira. Consequently, this rate dropped in 1404 of the Hegira by 0.3 percent [as published] below 1403 of the Hegira. In the Western Province, the total number of permits issued in 1403 of the Hegira dropped by 9.5 percent but then rose by 38.5 percent in 1404 of the Hegira in comparison with the total number of permits issued in 1400 of the Hegira. Thus, there was an increase of 53.1 percent in 1404 of the Hegira over 1403 of the Hegira. In the Eastern Province, the total number of permits issued in 1403 of the Hegira rose by 27.5 percent and in 1404 by 23.2 percent over the number issued in 1400 of the Hegira. Thus, this percentage dropped in 1404 by 3.3 percent below 1403 of the Hegira. In the Southern Province, the rate of permits issued in 1403 of the Hegira rose by 138.6 percent and in 1404 by 143.9 percent over the number issued in 1400 of the Hegira. Thus, the total number of permits issued in 1404 of the Hegira was 2.7 percent higher than the total number issued in 1403 of the Hegira.

The number of permits issued to production workers dropped steadily from 81.4 percent in 1400 of the Hegira to 69.1 percent in 1403 of the Hegira. On the other hand, the rate of permits issued to workers in other sections has risen. In 1404 of the Hegira, this rate rose slightly by 0.5 percent in comparison with 1403 of the Hegira, thus reaching 69.6 percent. As for permits issued to agricultural workers, their rate has risen steadily from 1.4 percent in 1400 of the Hegira to 4 percent in 1404 of the Hegira. Even though the rate of permits issued to service workers dropped in 1403 of the Hegira below the rate of 1402 of the Hegira, it generally rose from 3.9 percent in 1400 of the Hegira to 7.4 percent in 1404 of the Hegira. Permits issued to workers engaged in sale activities rose from 0.2 percent in 1400 to 4.7 percent in 1404 of the Hegira. Permits issued to office workers also rose slightly, from 5 percent in 1400 of the Hegira to 6.3 percent in 1403 of the Hegira. But in 1404 of the Hegira, the rate dropped to 5.2 percent. Permits issued to managing directors increased from 1.1 percent in 1400 of the Hegira to 2.3 percent in 1404 of the Hegira. Work permits issued to people with scientific and technical jobs rose from 7 percent in 1400 of the Hegira to 13.8 percent in 1403 of the Hegira but then dropped to 6.8 percent in 1404 of the Hegira.

Work Permits for Foreigners

The rate of permits issued to foreign workers according to their main professions rose in 1403-1404 of the Hegira in comparison with the rate in 1400 of the Hegira. But there are professions in which the rate of permits issued rose in 1404 in comparison with 1403 of the Hegira and other professions where this rate dropped. In 1404 of the Hegira, the rate of permits issued to managing directors rose by 24.1 percent, to sales personnel by 448.4 percent, to service workers by 73.6 percent, to agricultural workers by 55.5 percent, and to production workers by 13.5 percent in comparison with 1403 of the Hegira. Meanwhile, the rate of permits issued to scientific and technical professionals dropped by 44.7 percent and to office workers by 8.3 percent below the level of 1403 of the Hegira. As for the permits issued to foreign workers in the provinces according to the various sections of the main professions, the rate of permits issued by the Central Province to production workers dropped from 78.8 percent in 1400 of the Hegira to 51 percent in 1403 of the Hegira. Meanwhile, the percentage of permits issued to workers in other professional sectors increased. But we find that in 1404 of the Hegira, the rate of permits issued to production workers rose to 70.1 percent. Consequently, the rate of permits issued scientific and technical professionals decreased sharply, dropping from 25.9 percent in 1403 of the Hegira to 4.5 percent in 1404 of the Hegira. The rates of permits issued to managing directors dropped from 2.4 percent in 1403 of the Hegira to 0.9 percent in 1404 of the Hegira and permits issued to office workers from 9.4 percent to 3.7 percent. Meanwhile, there was an increase in the rate of permits issued to workers in other professional sectors, especially permits issued to sales workers which rose from 1.2 percent in 1403 of the Hegira to 8.1 percent in 1404 of the Hegira. In the Western Province, the rate of permits issued to production workers dropped and the rate of permits to workers in other sectors rose. In the Eastern Province, we find that the

rate of permits issued to production workers rose from 70.1 percent in 1400 of the Hegira to 73.8 percent in 1404 of the Hegira, with a subsequent drop in the rates of permits issued to workers in most of the other sectors. We find that the rate of permits issued to scientific and technical professionals dropped from 11.3 percent to 10.5 percent. In 1404 of the Hegira, the rate of permits issued to production workers decreased and, subsequently, the rate of permits issued to all workers in the other sectors increased, with the exception of permits issued to scientific and technical professionals, which dropped from 10.5 percent in 1403 of the Hegira to 9.2 percent in 1404 of the Hegira. In the Southern Province, the permits issued to production workers decreased considerably, dropping from 95.9 percent in 1400 of the Hegira to 87.5 percent in 1403 of the Hegira and to 55.7 percent in 1404 of the Hegira. Consequently, the rate of permits issued to workers in all other sectors rose considerably.

The rate of permits issued to illiterate workers is low, dropping from 43.2 percent in 1401 of the Hegira to 32.1 percent in 1404 of the Hegira. The same applies to permits issued to workers who can read and write, with the rate of permits issued to such workers dropping from 24.2 percent to 19.3 percent. On the other hand, permits issued to university graduates rose from 5.8 percent in 1401 of the Hegira to 12.1 percent in 1403 of the Hegira. But in 1404 of the Hegira, the rate of permits issued to illiterate workers and workers who can read and write rose to 37.6 percent and 26.9 percent, successively, while the rate of permits issued to university graduates dropped to 4.8 percent. Moreover, the rate of permits issued to workers with an intermediate junior high school certificate dropped from 11.4 percent in 1403 of the Hegira to 7.4 percent in 1404 of the Hegira and permits issued to workers with an elementary school certificate dropped from 14.3 percent to 11.2 percent, whereas permits issued to workers with a high school certificate rose from 7.6 percent in 1401 of the Hegira to 12.1 percent in 1404 of the Hegira.

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SAUDI ARABIA

DROP IN IMPORT LEVELS REPORTED

Riyadh AL-RIYAD in Arabic 29 Sep 85 p 12

[Article by Rihan al-Harbi]

[Text] The General Statistics Department of the Ministry of Finance and National Economy recently issued a report containing statistics of the kingdom's imports in the second half of 1984.

The report points out that the value of the kingdom's commodity imports in the second half of 1984 dropped to 55,459,000 riyals [as published], registering a drop of 8,733,000,000 riyals or of 13.6 percent in comparison with the corresponding period of 1983. Compared to the corresponding period of 1983, the value of each of the following commodity imports dropped in the manner demonstrated below:

The value of the transport machinery and equipment imports dropped in this period by 5,646,000,000 riyals or by 21.3 percent. The value of the imports of other goods classified according to material, such as iron and manufactured iron products, other manufactured metal products, and wood and paper products dropped by 2,785,000,000 riyals or 17.2 percent.

As for miscellaneous goods, including gold, the value of the imports dropped in the second half by 292 million riyals or by 38.6 percent. The value of drinks and tobacco imports dropped during the period by 60 million riyals or by 7.9 percent. Imports of mineral fuels and lubricants dropped by 67 million riyals or 4.7 percent.

The report notes that whereas a drop was recorded in the value of some imports during this period, an increase was recorded in the volume of other imports, such as foodstuffs and livestock, which registered an increase of 129 million riyals or 4.7 percent. As for oils and animal fats, they registered an increase of 14 million riyals or of 7.6 percent.

The report issued by the General Statistics Department also noted that the volume of imports from Japan alone amounted to 11,275,000,000 riyals, constituting 20.3 percent of the kingdom's total import volume. The most important imports from Japan were trucks, small cars, and textiles. The

United States took second place behind Japan with the value of imports from the United States amounting to 10,049,000,000 riyals, representing 18.1 percent of the kingdom's total imports. Foremost among the imports from the United States were spraying machines used in agriculture and spare parts.

France took third place, with the value of imports from this country amounting to 4,247,000,000 riyals, representing 7.7 percent of the total imports. Foremost among the imports from France were civilian aircraft, barley, and electrical equipment.

The volume of imports from West Germany in this period amounted to 4,247,000,000 riyals, representing 7.7 percent of the total value of imports. Foremost among the imports from West Germany were trucks, small cars, and spare parts.

Italy took fifth place, with the value of imports from this country amounting to 3,829,000,000 riyals, representing 6.9 percent of the total value of imports. The goods imported from Italy were led by jewelry, furniture, and tiles.

England took sixth place in volume of imports, with the value of these imports amounting to 3,284,000,000 riyals, representing 5.9 percent of the total imports for the period. Tobacco, cigarettes, and electrical equipment led the imports from England.

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SAUDI ARABIA

WATER PROJECTS IN EASTERN PROVINCE OUTLINED

Riyadh AL-RIYAD in Arabic 1 Oct 85 p 2

[Article: "General Director of Water and Sewerage Authority: Phased Plans to Complete Water and Sewerage Projects in Eastern Province; Water Tower and Complete Network To Meet al-Jubayl City's Needs With Desalinated Water"]

[Text] Al-Dammam--'Abdallah ibn Muhammad al-Babutayn, general director of the Water and Sewerage Agency in the Eastern Province, told AL-RIYAD that in implementing the instructions of his royal highness the amir [governor] of the Eastern Province to prepare phased plans with specific timetables for the construction and completion of the water and sewerage projects in the various parts of the Eastern Province, a contract was concluded on Saturday, 7 Muharram 1406 of the Hegira, at the Eastern Province's amir's office in al-Dammam to implement the project for al-Jubayl high-water tower at a cost of 22,356,107 riyals as a first phase of the plan to implement the agency's projects in al-Jubayl City. One of the phases of this plan is being implemented this month to build the city's water distribution network.

Al-Babutayn added that throughout the successive development plans, al-Jubayl City has witnessed great developments in its construction, economic, and industrial activities connected with development programs at the kingdom and city levels because of the important strategic position the city enjoys on the Arab Gulf.

As a result of the above, the agency began in previous years preparing complete initial and final studies aimed at completing al-Jubayl City's long-range future requirements because the studies have demonstrated that the city, which is now in the phase of growth, will reach the saturation phase in 1435 of the Hegira, with its population then numbering more than 600,000 people. The water projects have been designed in such a manner as to be able to keep up pace with these requirements.

The concluded contract provides for building a high-water tower with a capacity of 6,000 cubic meters and a height of nearly 50 meters. The tower body will be coated with prefabricated concrete and its base will

consist of pre-cast (contact columns). The contract also covers all the excavation and filling work, insulation materials, site beautification work, repair and maintenance workshops, electrical and mechanical works to pump water to the high tower, chambers with shutting devices and controls to regulate water levels and pressure and to measure water height, and ground-level tanks to receive water overflow and the periodic maintenance water.

Al-Babutayn pointed out that this tower will meet the city's requirements for a long time to come and that it will be supplied with water by the water desalination plant in al-Jubayl.

The coming part of this month will witness a subsequent phase of the construction of a highly efficient water distribution network that will cover all parts of the existing city and that will be developed in the future to meet all the needs for supplying the city with desalinated water, taking into consideration the expected expansions and population growth.

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SYRIA

SURVEY CONDUCTED TO ENHANCE EXPLOITATION OF STATE-OWNED LANDS

Damascus TISHRIN in Arabic 24 Oct 85 p 4

/Interview with Dirgham Falluh, director of state-owned lands and agrarian reform at the Ministry of Agriculture, by 'Ali Ma'ruf: "Concerted Efforts To Complete Survey of Agricultural Reform and State-owned Lands"/

/Text/ The Ministry of Agriculture started nearly 5 months ago surveying all state-owned lands in various parts of the country. This process has been coupled with measures putting a freeze on new transactions and contracts pertaining to these lands. Where has the ministry reached in its new task concerning state-owned lands, what are the difficulties it is encountering in this regard, and what are the objectives behind the survey process and how will they be achieved?

It is an essential question raised not only by the citizens concerned but also by all those who agree with the ministry which has decided to re-examine the existing formulas for dealing with state-owned land users, considering that these lands are a part of the state's public property. These formulas involve a large amount of squandering and laxness and often turn a completely blind eye to encroachments upon these lands. Dirgham Falluh, the director of state-owned lands and of agrarian reform at the Ministry of Agriculture, provides the answer in the following interview:

/Question/ The steps for surveying the state-owned lands began in the 6th month of this year. Where have these steps reached, when will they end, and are there obstacles impeding their implementation?

/Answer/ The areas covered by the survey are vast and are spread over various parts of the country. Some of these lands, nearly half of them, are delineated and recorded. The rest have not been delineated and recorded yet. We have completed surveying these lands in registration terms by examining and checking the real estate records. Since the beginning of the 7th month of this year, the field committees have launched their activities to identify these lands, to redelineate them, and to find out their actual status, i.e., to find out who has seized them and what legal documents they have to justify seizing them. This process is intended to identify all persons who are on state-owned lands illegally and to issue expropriation decisions in such cases of ongoing illegal encroachment. The outcome of these committees' activities and their proposals

have been reaching the ministry in succession and the ministry has been issuing the necessary decrees in this regard in light of the actual situation. Numerous decrees have been, of course, issued in this connection providing for expropriation. It is expected that the said committees will complete their work by the end of this year, i.e., nearly 3 months after the start of the field identification process on the spot. The necessary measures are taken in accordance with the circumstances of the various cases. The tasks entrusted to the committees, which represent the legal, technical, and administrative authorities, require that they find out the detailed facts concerning each piece of land on the spot and observe the land exploitation activities. Such tasks cannot be free of difficulties. To surmount these difficulties, it is necessary to secure numerous things, the most important being:

--Allocating the appropriations necessary for hazardous work allowances, overtime work, and the additional transportation allowance needed for this kind of field work.

--Bolstering the directorates with permanent legal elements and with clerks from the first and second grade levels.

--Supplying the means of transportation.

These are the things capable of insuring continuation of the work at a good pace.

/Question/ What are the planned future steps for the exploitation of these lands?

/Answer/ The ministry plans to exploit them in accordance with its plan, which puts state farms as the number-one user. It will then form technical committees in each governorate to study the situation of each piece of property and to propose the ideal way to exploit it, such as direct exploitation by the ministry's agencies, including the guidance units, cattle or fish farms, or, perhaps, other state agencies or outside circles.

/Question/ What are the most significant problems encountered previously in the process of dealing in or selling state-owned lands or lands owned by the agrarian reform, "meaning the sale of labor"? How will these problems be solved in light of the new meausres?

/Answer/ The main objective of the process of distributing the agrarian reform lands is focused on achieving the slogan of "the land belongs to whoever tills it." The absence of this condition makes it necessary to take away such land. Consequently, the sale, lease, abandonment, or even negligence of land in a manner that unreasonably reduces its yield means axiomatically the abandonment of work on the land, regardless of how varied the reasons or pretexts are. This legally and logically necessitates giving the land to an owner who meets the condition of "tilling the land" and who is compatible with the fundamental objective of land exploitation. It so happened in the past that some beneficiaries violated the conditions set by the agrarian reform law. The agrarian reform agency is empowered to conduct this survey on the distributed lands and the lands excluded from distribution so as to identify the violators and deny them use of the land. To implement the laws, the ministry has instructed the

agencies concerned in the governorates to check on the violations in preparation for taking the legal measures for the denial of use in accordance with the rules and for recovering the land and including it within the ministry's programs for exploitation of the state-owned lands. As for individuals who have colluded with the beneficiaries through the purchase or lease of these lands, they will have no right whatsoever to the land by virtue of the fact that the buyer or tenant is considered a collaborator with the original beneficiary and an encroacher upon state-owned lands and is treated accordingly. This is also coupled with the demand that the buyer pay twice the rent for the land as of the date or purchase or lease, that the buyer's control over the land be eliminated, and that whatever installations he has built on the land be considered the result of voluntary action subject to the laws concerning encroachment upon state-owned lands.

/Question/ Isn't the state's silence in the face of these violations for a long period of time one of the reasons for the recurrence of the violations and for considering them some sort of a tradition?

/Answer/ These issues have not been neglected. They were dealt with in the past, but on a limited scale and in a manner dominated by red tape and a lack of seriousness, thus causing these violations to intensify and turn into a phenomenon. The ministry has now found it necessary to tackle this phenomenon fundamentally and according to a comprehensive plan implemented accurately and firmly.

/Question/ What is the area of state-owned lands and how are these lands exploited currently?

/Answer/ The area of state-owned land is very large. But we have not yet reached a final figure. There is no doubt that a large part of this land is exploited in a disorganized and unsound manner and, at times, without the state's knowledge. The current survey work is being carried out for this purpose so that the exploitation may be organized and purposeful and within the framework of the state plan. Moreover, the survey facilitates the process of securing the lands needed by the state--lands for which the state would otherwise need and additional budget. Moreover, the survey will make it possible to set up model farms and state farms in the various parts of the country and to use modern agricultural methods in these farms, thus enhancing agricultural competition to achieve the highest yield levels.

/Question/ Isn't the semidesert included in the committees' work?

/Answer/ Yes, it is. The committees' tasks include dealing with encroachments upon semidesert lands, forest lands, or other lands owned by the state.

I must note here that the general director of state-owned lands pointed out that the executive bylaws of the agrarian reform law clearly define the beneficiary's relationship with the land and that these bylaws stress the following:

--Whoever obtains control of land shall cultivate it and give it the necessary care, shall implement the agricultural production plans set for it, shall observe

the basic principles of the peasant cooperative to which he belongs, and shall abide by the laws and decrees issued in connection with the agrarian reform law and the land ownership law. If the beneficiary violates any fundamental obligation demanded by the law or by the distribution decree, if he fails to cultivate his land personally or if he leases, relinquishes, or sells the land secretly, if he fails to give the land the care required in accordance with the production plan, or if he commits any legal violation, the question of depriving him of the land shall be considered by the committee formed for the purpose.

--Neither the beneficiary nor his heirs after him may dispose of the agricultural land given to him or may incur any inkind claim to the land, excluding a mortgage with the Agricultural Cooperative Bank, before the passage of 20 years on registration of the land in his name in the real estate records and provided that he obtain an advance approval from the ministry after the lapse of this period. The ownership of such land may not be taken away in repayment of any debt, unless the debt is owed to the state or to a peasant organization.

In light of these rules, the legislator's objective is obvious, namely the preservation and exploitation of the land by the beneficiaries themselves, without any trading, so as to achieve the goals of the agrarian reform law and to serve the interests of the farmers and their stability on their land under the penalty of taking away the land and restoring it to state control, regardless of whether it is under the control of the seller or the buyer. Dispossession is the inevitable legal means. The issue is not one of intimidation or punishment because it is prohibited to sell, lease, or dispose of distributed land. The purpose of the distribution is exploitation of the land by the beneficiary himself in a manner that insures an acceptable level of production in light of the circumstances governing this production and of the various crops and agricultural conditions.

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SYRIA

FORGERY RING UNCOVERED IN HAMAH

Damascus TISHRIN in Arabic 22 Oct 85 p 3

/Article by Mahmud al-Humud: "Supply Control Uncovers Forgery of Iron Sale Bills in Building Centers"/

/Text/ Hamah--The chaos and indifference prevailing in the Building Establishment branch in Hamah have turned the citizen into a toy in the hands of the personnel of the sale centers. The citizen, with a right, with a livelihood to attend to, and with an official permit, encounters the greatest difficulty in getting his allotment.

After eliminating the exceptions in construction materials, the sale centers' workers resorted to a different method in dealing with the citizen, putting pressure on him to abandon his allotment and to purchase from the black market which has become a flourishing market where the citizen finds everything he needs, but at three times the official price. Despite this, we find many citizens who prefer to buy from the black market because it is easy to make purchases in this market and difficult to buy from the Construction Establishment's branch in Hamah.

Tampering with Weights

A few months ago, some craftsmen who get their allotments of industrial iron complained of a shortfall in the weight of the allotments delivered to them by the Industrial Iron Center of the Hamah branch of the Construction Establishment. The Supply Control Agency took up the issue, observed the processes of weighing and delivery on the spot, and was able to identify several violations in weights. As a result of the investigations, it became evident that the center's workers in charge of deliveries were tampering with the weights to make illicit profits for their own benefit. The Supply Control identified at the time four violations in a single day. After making the legal reports against the violators, they were dismissed from their positions and sentenced to jail. The Central Control and Inspection Agency followed up on the issue and examined the bills of sale to find the citizens harmed by this practice.

Forging Iron Sale Bills

As a result of numerous complaints by citizens and craftsmen on the iron sale activities in the iron sale centers at the Construction Establishment's branch in Hamah, the Supply Control Agency set up several patrols to observe the center's sale operations. On 14 September 1985, the Supply Control seized a bill pertaining to the sale of 4 tons of iron cables with a (diameter) of 12-14 mm that showed that the delivery was made twice to the same craftsman and at the same weight. Upon asking the craftsman concerned, he reported that he submitted a request to the Construction Establishment on 5 September 1985 to purchase his allocations, which amounted to 4 tons for the months of August and September.

The request disappeared mysteriously after he had handed it to the center chairman. The craftsman returned to the center on 8 May /presumably September/ to look for his lost request but could not find it. Consequently, the center chairman wrote a new request for the same quantity and the same craftsman and the craftsman's full allotments were actually delivered on 9 September 1985.

On 14 September 1985, it became evident to the supply patrol watching the sale activities that there was another bill in the name of the same craftsman who had received his allotment and that the quantity spelled out in the bill had been delivered twice. Upon being questioned, the craftsman said that he had received his allotment only once and that he had no knowledge of the bill written in his name on 14 September 1985.

As a result of the interrogation of the center chairman, the warehouse manager and his assistant, the bill writer, the treasurer, and the driver transporting the iron, it became evident that they all collaborated in forging the bill, performing the following roles:

The center chairman knew that the bill had been delivered to the craftsman on 9 September 1985. He should not have signed the second bill, keeping in mind that he had given the first bill, but not the second one, a serial number. This is evidence of tampering.

The warehouse manager delivered 2 tons of iron to a craftsman other than the one named in the bill, knowing that the craftsman named in the bill had received his allotment.

The assistant warehouse manager delivered to the craftsman not named in the bill the rest of the iron cables, namely 2 tons, because the warehouse manager was busy.

The treasurer collected the price of the iron from the craftsman not named in the bill, which is a violation of the regulations. Moreover, he took the bill personally and had it signed by the center chairman. This is proof of collusion with his colleagues.

The bill writer wrote the bill in the name of the craftsman concerned, knowing that it was being written for the second time and was going to another craftsman. He also gave it the same serial number as the first bill.

The driver of the truck carrying plate No 3083-53 is well known for dealing in iron in the black market. He loaded the 4 tons and delivered them to a craftsman other than the one named in the bill so that they might later be sold on the black market. He thus collaborated with the center's workers. When the forgery was uncovered, the driver tried to deliver the iron to the craftsman named in the bill free of charge, provided that the craftsman signed a receipt to the effect. But the craftsman refused because he had already received his allotment 5 days earlier. The driver was compelled to dump the iron in front of a closed shop in the industrial zone.

Thus, all collaborated in the forgery and in the attempt to sell on the black market and all went to jail.

Other Crooked Methods

The same official iron center resorted to other crooked means, in addition to forging bills. The center chairman locked the craftsmen's books and the citizens' permits in his office under the pretext that they had to wait their turn for delivery. Meanwhile, he tampered with these books and permits.

Citizen 'Abd-al-Razzaq Barudi holds construction permit No 165, dated 27 December 1984, and is entitled in accordance with this permit to 15.8 tons of iron. After waiting for 8 months for his turn to come, he was able to get 3,022 kg of iron on 31 August 1985. When he collected this quantity, he noticed that his permit showed that he had already received 1,007 kg of iron. It became evident later that the forgery and tampering had reached his permit and that the center's workers had disposed of this quantity without the owner's knowledge. The quantity was delivered on 11 August 1985 in accordance with bill No 5966 to a center worker who collected it without any authorization and without the owner's knowledge. Naturally, it ended up on the black market.

Do You Know?

In addition to the information we have cited, do you know, dear reader, that most of the workers of the Construction Establishment's sale centers in Hamah own private cars and commercial apartments which they have acquired through tampering and forgery? Do you know that when a thief, a forger, or a tamperer is uncovered among the establishment's workers he is, upon his release from jail, appointed to a position with a greater potential for tampering and theft? Do you know that those involved in this case have been released and are now free, except the center chairman who was rearrested by other authorities?

Do you know that the situation has become so complex and that it needs committees from the Control and Inspection Agency and other internal committees from the establishment?

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SYRIA

HIMS REFINERY EXPANDS TO MEET INCREASED DEMAND FOR GASOLINE

Damascus TISHRIN in Arabic 23 Oct 85 p 4

/Interview with Eng Khalil Ibrahim, technical director of the Hims refinery, by 'Ali Ma'ruf: "Hims Refinery's Sixth Expansion Project Supplies Country's Need of Supergasoline and Secures Line for Transporting Exported Naphtha"/

/Text/ The bombing catastrophe to which the Hims oil refinery was subjected during the October 1973 war has not obstructed the progress of this important economic establishment with its manysided significance. The fact that it was made a target in the war is an indication of this significance. The catastrophic bombing did not hamper this progress but rather has pushed the establishment toward greater production and expansion and toward making a greater economic contribution. Two years after the said war, i.e., in 1975, a distillation unit with a capacity to distill 1 million tons of imported crude oil was built. A year later, two other units followed: one to produce asphalt at a capacity of 200,000 tons a year and the second to treat polluted water at a capacity of 250,000 cubic meters an hour. Then came the sixth project to which the final touches are being applied.

Before talking of this latest expansion, we would like to note that the refinery has become a major complex for processing oil derivatives. (The refinery processes, moreover, 2.7 million tons of Syrian crude as a result of the introduction of the new unit built in 1969-70.) In addition to various oil derivatives, the production of butane gas began at the start of last year, 1984. Then followed the latest, sixth, expansion to add new qualitative and quantitative given facts that are reflected in both production and marketing. These facts were detailed to us by Eng Khalil Ibrahim in the following interview:

A total of 13,000 cylinders daily /as published/. But some of the modifications introduced by the technicians to the units have raised the production of this substance to 16,000 cylinders. This has been coupled with an increase in the filling capacity which has exceeded the theoretical targets by 150 percent. Then came the aforementioned sixth expansion project which increases the quantity of production and improves their quality. This project can be considered almost a new refinery, considering that it incorporates:

--A unit to improve gasoline quality.

--The naphtha hydrogenation unit.

--The (azmarah) unit.

--The diesel and sulfur hydrogenation unit.

--The steam-generating boilers.

--The steam-generating turbines.

/Question/ What are the qualitative and quantitative aspects of production development in light of the new expansion?

/Answer/ The expansion has introduced no increase in the refinery's designed capacity, which is capable of refining 5.2 million tons of crude oil--half local and the other half imported. From this crude oil, we produce various types of fuel. But what this expansion deals with is the production of an additional quantity of premium gasoline estimated at 500,000 tons a year. This quantity will come at the expense of surplus naphtha exceeding the country's need. We have been having difficulty marketing this surplus naphtha even though it constitutes a main ingredient in gasoline.

/Question/ Isn't this in conflict with the needs of the Public Fertilizer Co., which needs naphtha as a raw material for the production of fertilizer?

/Answer/ No, the quantities used for the production of gasoline in the new expansion are available along with the quantities used by the Public Fertilizer Co. This company will completely dispense with the use of naphtha when it completes the natural gas line and shifts to the use of natural gas in about 18 months. This natural gas is available locally and is more economical than naphtha. We should keep in mind that we will meet the country's need for gasoline and that the gasoline produced by the Baniyas refinery, estimated at 640,000 tons a year, will be consigned for exportation. Moreover, this expansion provides another capability, namely the premium gasoline pipeline. This pipeline has been used to bring in gasoline from Baniyas but it can now be used to transport naphtha from Hims to the port from where it can be exported. Transporting the napththa to Baniyas was the most difficult problem we encountered in exporting naphtha, which is a derivative in demand internationally at commercially acceptable prices, considering that the price of a ton of naphtha amounts to $320.

/Question/ Does the expansion have other objectives?

/Answer/ Yes, there are several objectives achieved by the expansion:

--Producing better-quality gasoline.

--Achieving a higher financial yield from naphtha.

--Securing the electric energy for operating the refinery and eliminating the problems of power outages which used to occur every month, if not every week.

Such outages reduce the lifespan of machinery and equipment. Each outage is estimated technically to cause the loss of a year in the life of a piece of equipment or machinery because it causes a sudden drop in temperature. Moreover, the outages have caused frequent fires. The energy generated by the expansion will be produced by two steam units with a total capacity of 64 megawatts, i.e., 32 megawatts each. One unit is enough to keep the refinery in operation, with the second unit remaining as a standby reserve.

--Preventing pollution as much as possible by establishing very harsh antipollution rules. In accordance with these rules, we have raised the smokestacks to an elevation of 180 meters and this will cause the exhaust fumes to disperse beyond the city's atmosphere and drop at such a distance that the sulfur oxide concentration will amount to 15 particles per million, which is a concentration rate that leaves no trace of pollution.

--Securing a hydrogen reserve to refine the Syrian heavy crude, considering that the Syrian crude derivatives contain sulfur compounds which must be eliminated through the use of hydrogen. Because there is a single source of hydrogen and because any interruption in the flow from this source causes an interruption in the heavy crude refining processes, the presence of a second source of hydrogen allows the uninterrupted refining of this heavy crude.

In light of the given facts of the expansion which supplies an additional quantity of hydrogen that meets the needs, we have studied, in the context of our future projects that have been generated by this expansion, the question of producing (basic oil derivatives).

Manpower

/Question/ What is the need for additional workers required by the new project?

/Answer/ Nearly 400 new workers have been appointed because the project's advanced automation reduces the need for labor. Most of these workers are skilled workers who will be trained in Czechoslovakia for 2 months preparing to operate the project immediately without the need to keep the foreign experts. Most of these workers are currently being given initial training within the various sections of the refinery, each according to his specialization.

/Question/ When will operation start?

/Answer/ All the work is generally complete. But the delay in the delivery of some electrical equipment and machinery because of importation procedures has delayed the date of operation. Generally, this equipment will be delivered shortly and 100 Czechoslovak technicians will arrive to install it. The project will be ready by the start of 1986, i.e., within 3 months when the experimental operation will begin.

/Question/ The large size of this installation, which now includes nearly 4,000 technicians and managers, requires the development of the industrial safety aspect. What are the safety measures you have taken to protect these workers, most of whom now enjoy a high technical capability?

/Answer/ It is true that with the expansion, the exact number amounted by the end of last month to 3,650 workers, most of them skilled workers. The management is aware of this and has spared no effort to provide all the requirements of industrial safety, especially since the oil industry and the high technical capability of the refinery and its successive developments require raising the industrial safety capability to enable it to keep up pace with this technology. Industrial safety in the refinery is of a good quality compatible with international industrial safety standards. Our safety systems are derived from the advanced international systems in similar industries, whether in terms of maintenance, of firing, or of all the precise activities in the units starting and stopping the operations. In addition to a meal, including milk and eggs, we have provided a large variety of equipment, such as:

--Gas masks.

--Noise mufflers.

--Protective goggles in welding and acetyline torch work.

--Safety boots.

--Work uniforms for the workers.

--Nonflammable (amionite) uniforms.

--Breathing equipment that supplies air at likely pollution sites.

--Small rapid-intervention vehicles fitted with the latest equipment and fire-fighting equipment of all kinds.

--Gas-measuring equipment.

--Photography equipment.

--Vehicles equipped with ladders to climb into towers and with other devices that facilitate work and achieve safety at the work site.

/Question/ There are reports that little use is made of this equipment. What are the steps taken to increase, rather generalize, the use of this equipment?

/Answer/ Courses are currently held--courses conducted since the early beginning of the refinery--with the aim of training and preparing all the workers to act as reserves for firemen. We enlighten the workers with special international films to persuade them that it is necessary to use this equipment. Moreover, the signs posted along the roads and paths urge such use. The situation is improving steadily in this regard, especially since practical experience has proven the importance of such use and has encouraged it.

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PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

MINISTER DISCUSSES MARITIME TRANSPORT DEVELOPMENT

Aden 14 UKTUBAR in Arabic 2 Oct 85 p 5

[Interview with Salih Abu Bakr ibn Husaynun, member of the Yemeni Socialist Party Central Committee and minister of communications, by Kawthar Shadhili: "Maritime Transport Began From Scratch in Wake of Independence and Developed After 22 June Corrective Step"]

[Text] The transport and communications sector is one of the most important economic service sectors because it is a mainstay of the economic development process and a main artery of all aspects of life.

To find out what has been accomplished in maritime transport, we interviewed Comrade Salih Abu Bakr ibn Husaynun, member of the Yemeni Socialist Party Central Committee and minister of communications, who spoke on one of the most important types of transport and communication, namely the maritime transport sector. The party and state leadership has been devoting evermore attention to this important sector, particularly since the 22 June corrective step and the nationalization of economic facilities.

So that the reader may learn more about this important sector, we interviewed the comrade minister of communications who, thankfully, answered all the questions raised in the interview, explaining numerous points directly connected with maritime transport, its projects, and its development phases. Below is the outcome of the interview:

[Question] What about maritime transport before the dawn of our country's national independence?

[Answer] If we want to find out the developments undergone by our country's maritime transport in the post-independence period and in the past few years, then it is natural that we discuss the maritime transport situation before our country gained its independence from the hateful British colonialist. It can be said that maritime transport prior to independence focused on shipping the transit goods unloaded in Aden by small wooden boats and by other small vessels. British colonialism turned Aden into a center for marketing its goods in the Red Sea and Arabian Sea area. The economy of colonized Aden was tied to and dependent upon this activity, which peaked in 1965 and was nurtured by the traffic of ships frequenting

Aden Port--ships coming from and heading for the Suez Canal. When the Suez Canal was closed just prior to independence and when it was expected that the National Front would triumph and that independence would be achieved, this traffic diminished and the imperialist firms controlling it began to withdraw their ships and direct them to other areas. When the foreign interests were nationalized on 30 November 1969, there remained only two small vessels, each with a load capacity of no more than 500 tons. The two vessels were old and unfit. One of them sank in 1970 and the other was withdrawn from service in 1975 because it was no longer fit.

The minister went on to stress that upon departing, British colonialism did not leave behind any maritime transport in any sense of the word, that such transport was foreign-made and controlled by foreingers, and that British colonialism had put an end to this activity before departing. Thus, we have had to reestablish maritime transport in the wake of the 22 June corrective step and of the nationalization of foreign interests, beginning from near scratch and utilizing Yemeni cadres who had gained some experience through contact with foreign firms. These cadres were gathered in the National Maritime Company which was established as a result of the nationalization of the foreign firms operating in the sphere of maritime transport. These cadres exerted great efforts to insure the continuation of maritime services, such as the maritime transport agencies and the activity of loading and unloading foreign vessels. They managed whatever remained of the maritime transport means and helped to bolster the services technically and commercially by adding vessels to the service. They did not succumb to the inducements of foreign interests and they continued to serve their homeland and their revolution until this very day. To these cadres I express the revolution's and party's appreciation. I also take this opportunity to express to them my personal appreciation.

Development of Maritime Transport

[Question] So how did the maritime transport sector develop in the wake of the 22 June corrective step and the nationalization of the foreign interests?

[Answer] It was impossible to control the national economy, to plan for it, and to guide it toward development and growth without controlling foreign trade. It was impossible to control foreign trade without controlling the shipment of goods into and out of the republic. Therefore, it was logical to think, in the wake of the nationalization in November 1969 and of the corrective movement, of forming the nucleus of the National Maritime Transport Company. It was understood and realized at the time that entering the sphere of commodity shipping is a complex process requiring broad experience and knowledge, especially since this sphere is controlled and ruled by the international maritime monopolies that are tied to the capitalist camp's imperialist interests, with sea adventurers and pirates supported by foreign interests playing a marginal role in this sector's activity. It was logical to begin with a small step in forming the nucleus in this sphere in order to gain expertise and

train cadres. The beginning was in 1973 when two used vessels, one with a load capacity of 1,500 tons and the other with a load capacity of 500 tons, were purchased and managed by the National Maritime Company. A third vessel with a load capacity of 1,500 tons, purchased from the friendly Soviet Union, was added to these two vessels, thus raising the total load capacity to 3,500 tons.

The comrade minister added that at the same time, the state turned its attention to training more advanced technical maritime cadres, such as naval officers and engineers. The state also sent graduates of the Naval Institute and high school graduates on scholarships to the Arab Maritime Transport Academy and to the friendly socialist countries to acquire higher degrees in ship management and maintenance. These cadres were trained on the vessels of fraternal and friendly countries and, as a result of the training plan drawn up in the wake of the correction movement and of the nationalization of economic interests, we now have naval officers and engineers who manage our vessels, who fully and satisfactorily pilot ships to and from the republic's ports, and who carry out maintenance work for our naval units. We are still awaiting the graduation of more such officers. The increase in their numbers will be coupled with growth in this sector.

(The comrade minister went on to add:) To make it possible to prepare for future developments in seeking to expand the geographic circle of maritime transport activity, the vessels department was separated from the maritime company and a company, called the Yemen Sea Lines Company, was founded in 1980 and entrusted with the task of managing the three vessels and of laying the foundation for expansion in transporting a larger part of the republic's trade. The Maritime Transport Cooperative, which used to operate a number of wooden vessels, was merged in this company. The company now runs these vessels, which carry goods to the republic's islands which do not have ports capable of accommodating ships and to some villages that are located along the coastline and are difficult to reach by land. This service is essential to population concentrations and it does not take financial profit into consideration. The Yemen Sea Lines Company has now trained national cadres who have gained broad experience as a result of shouldering the responsibilities of maritime transport since independence. These cadres have now been joined by youths who have gained knowledge and training and who are now on their way to gaining experience. It is a source of pleasure that this company, its cadres, and all its technicians and sailors have exerted and continue to exert great efforts to manage and develop the company.

Maritime Transport Projects

[Question] What are the maritime transport sector's projects implemented during the Second 5-year Plan, what are the projects carried over to this plan from other plans, and what will be completed in 1985?

[Answer] There are some projects which have been carried over from the First 5-year Plan to the Second 5-year Plan because of their great dimensions and their need for a longer time to complete. There are other

projects that have been completed and that are new projects included originally in the Second 5-year Plan, such as Khalaf Port in al-Mukalla, which cost 17 million dinars. This project was carried over from the First 5-year Plan.

These projects also include the Aden Port roofing at a cost of 211,357 dinars, another project carried over from the First 5-year Plan, and completion of the Second 5-year Plan, in addition to the project to replace the old equipment. This project is under the control of the Yemeni Port Authority and its costs have been estimated at 1,914,385 dinars. It is another project carried over from the First 5-year Plan. There is, moreover, the project to renew the installations in Aden Governorate. It is a project under the control of the Yemeni Port Authority, its costs have been estimated at 187,636 dinars, and it is one of the projects in the Second 5-year Plan.

There is the project to build housing for the loading and unloading of workers in Aden Governorate. The project costs amount to 1,632,029 dinars and it is one of the projects of the Second 5-year Plan. As for the projects of the Shipdocks Company, there are two projects controlled by the company, carried over from the First 5-year Plan and completed during the Second 5-year Plan, namely the project to renew the main slipway at a cost of 76,084 dinars and the project to build new workshops in Aden Governorate at a cost of 129,347 dinars.

Development Spheres

[Question] To conclude, and before bidding the comrade minister farewell, we asked him: What are the horizons of development of the maritime transport sector in the short run and the long run and what are your proposals for the Third 5-year Plan on developing the maritime trarsport?

[Answer] Since independence, and until the end of the Second 5-year Plan, the maritime transport sector has developed in unhurried and deliberate steps which take into consideration the complexities of international maritime transport and the degree of state control of commerce and of the sources of this commerce. But the long-range strategic objectives of developing the sector--objectives derived from the party's and state's policy and compatible with the tendencies of complete planning of the economy--are the objectives of moving forward toward total control of the shipping of foreign trade, thus reducing the outflow of foreign currency going toward maritime transport costs and creating work opportunities for Yemeni labor. As for the methods and means of achieving these long-range objectives, they lie in putting the entire foreign trade sector under central control so that purchases may be made with the stipulation of delivery at the port of shipping and with a central authority given the task of making the arrangements for transportation. This central authority, which is our national maritime company, will then gradually arrange for the shipping to be done by ships belonging to a firm or firms owned jointly by our country and friendly countries. In this respect, we will conduct during the Third 5-year Plan a detailed

study on maritime transport with the aim of laying down the practical foundations and drawing up specific timetables to implement this strategy.

The comrade member of the Central Committee and minister of communications added that there is no doubt that these long-range plans will be formulated and implemented in cooperation with the comrades from the socialist bloc countries. He said that consultations are currently underway between our country's government and the government of the People's Republic of Bulgaria, which had sent a team of maritime transport experts who studied the sector, focused particularly on developing the Yemen Sea Lines Company technically and administratively, and offered good proposals which have been evaluated, studied, and molded into an exploitable and practical form. We expect a delegation from the People's Republic of Bulgaria to arrive very soon for discussions on setting up a joint maritime transport company between the PDRY and the People's Republic of Bulgaria. The two sides have prepared the points on which the discussions will be held.

As for the medium range, the comrade minister of communications said: In implementation of Political Bureau Resolution No 61/84 and of Resolution No 51/2/85 issued by the Central Committee's 15th Special Session, held in April 1985, the Yemeni Sea Lines Company has been instructed to make a study on purchasing a vessel bigger than the vessels it currently owns with the aim of expanding the sphere of its activity so that it may stretch beyond the nearby ports located on the Red Sea and Arabian Sea and the aim of taking control of a certain volume of foreign trade with specific countries exporting to the public sector.

The minister added: We expect a review to take place during the Third 5-year Plan as a result of the comprehensive study scheduled to be carried out so that we may proceed in clear steps and according to specific timetables that ultimately lead to achieving the approved strategy.

Concluding, Comrade Salih Abu Bakr ibn Husaynun, the Central Committee member and minister of communications, said that the commodity transportation sector is a fundamental sector which influences development. The economic planning cycle cannot be complete without planning and directing this sector. It is also a strategic sector that affects the people's economic lives and living standards. Therefore, in implementing the policies of our Yemeni Socialist Party, the ministry devotes major attention to this sector, gives special care to its growth and development, and views its workers with appreciation and pride.

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JOINT SOCIO-ECONOMIC MEETINGS HELD

Kabul KABUL NEW TIMES in English 5 Nov 85 p 1

[Text] Kabul (BIA)--The 5th periodic session of the Afghan-Soviet sub-commission for planning held in the framework of the Afghan-Soviet Commission started here 10 days ago ended.

The sub-commission discussed during its sessions the issues related to improvement of planning and subsequent socio-economic growth of the DRA. At the end of a protocol was signed on Afghan-Soviet co-operation in the sphere of planning.

The basic aspects of socio-economic development of the DRA for the years 1986-90 were thoroughly worked out and assessed in the protocol which guarantees the subsequent development of the country under the conditions of the undeclared war of imperialism.

A spokesman for the State Planning Committee reported that based on this protocol the number of the permanent advisors helping the Committee in working out, arranging and running various planning spheres was registered. It was also agreed upon that gratis aid will be given to the DRA in the sphere of norm, standardization, balance of material goods, regional planning as well as sending of Soviet experts on a short-term basis.

The spokesman added that discussions also took place on providing better opportunities for training cadres in the special courses on planning inside Afghanistan and in the Soviet Union and further co-operation of the Soviet Union was attracted in this respect.

According to another report, the delegation of the Soviet Union led by Prusov V.V. that had come to Kabul for participation in the sessions of the Afghan-Soviet Sub-commission for Co-operation in the Sphere of Planning left for home yesterday.

The delegation was seen off at Kabul International Airport by Sayed Murtaza, the first Vice-President of the State Planning Committee.

/9317
CSO: 4600/175

AFGHANISTAN

SOVIETS PROVIDING ECONOMIC, TECHNICAL ASSISTANCE

Kabul KABUL NEW TIMES in English 12 Nov 85 p 3

[Text] The Soviet Union is helping Afghanistan build 213 enterprises and projects, more than one hundred of them are already in operation.

At present, Soviet organizations are rendering assistance to Afghanistan in developing the country's different sectors: industry, power generation, transport, communications, agriculture, public health and also in training national specialists. Work is being effected on expanding Hairatan port, restoring some sections of the Hairatan-Kabul highway, on reconstructing the technical systems of the Salang tunnel. Work is under way on building a residential district in Kabul. The construction of the USSR state border-Kholm-Mazari Sharif 220 KV electric power transmission line is nearing completion. Survey and design of the proposed Kholm-Pul-i-Khumri branch power line is being accomplished. Great attention is given to the efficient utilization of agricultural machinery delivered from the Soviet Union for machinery and tractor stations which showed a 30 percent of agricultural work increase in 1984 as against 1983. The training of machine operators continued. Assistance is rendered to the Democratic Republic of Afghanistan in organizing agro-chemical services, seed-controlling laboratories and artificial insemination stations. Prospecting for oil, gas and solid minerals is in progress.

Under the Agreement on Economic and Technical Co-operation between the USSR and the Democratic Republic of Afghanistan signed in February 1985 and other intergovernmental documents the Soviet organizations are to render assistance in organizing a base for carrying out emergency restoring and reparing operations on the electric power transmission line and substations of Kabul and other electric power systems of Afghanistan, in working out technico-economic substantiations for the construction of a cascade of hydro-electric power stations on the Kabul River, in assisting the restoration of some sections of Kabul-Hairatan highway in repairing avalanche-protecting tunnels and the roadway between Kalatak and Dushak. Reconstruction of Kabul Airport will be continued. In the vicinity of Kokcha irrigation system construction of a 2000 hectare cotton-growing state farm will be set up (including the necessary hydro-reclamation operations). The Agreement also provides for the construction in Kabul of the Bibi-Mahru residential area (total area up to 400,000 square meters), for modernizing Bagrami textile complex and Pul-i-Charkhi wool-spinning and weaving mill in Kabul.

For the economic assistance in building and streamlining these projects the Soviet Union granted the Government of Afghanistan a credit; also envisaged is the sending of Soviet specialists.

The implementation of the signed Agreement and other intergovernmental documents is opening a new important stage in Soviet-Afghan economic and technical co-operation that is aimed at strengthening the DRA key economic sectors.

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CSO: 4600/176

AFGHANISTAN

CONSUMER GOODS PLANT REACTIVATED

Kabul KABUL NEW TIMES in English 6 Nov 85 pp 1-2

[Text] Kabul (BIA)--In order to encourage, support and control light industries for elevating the production level of commodities and consumer goods, the "Afghan Industries" enterprise which remained idle during the past few years has been re-activated at a capital of 62,000,000 Afs recently.

At present, the enterprise can produce laundry and toilet soap. In the future it is also to re-tread various kinds of tires for vehicles.

Previously, the enterprise was functioning a joint stock company and came to a standstill because of technical failure, shortage of personnel and profiteering of shareholders. On the basis of the decisions of the Ministry of Light Industries and Foodstuffs which made a comprehensive study of the enterprise, it was re-activated.

The enterprise which is equipped with the most up-to-date machinery for the production of soap and re-treading of tires is planned to produce 12 thousand tons of soap and to re-tread 15,000 tyres annually.

A spokesman for the "Afghan Industries" enterprise said "It is planned that after the completion of its required technical and vocational staff, doing away with the technical defects and provision of sufficient raw materials for the enterprise, its maximum daily production will exceed 6.6 tons of laundry and toilet soap.

"At present, the enterprise produces daily over one ton of toilet soap and in the near future it will start also the production of laundry soap.

"At the initial stage of its functioning, the enterprise will be re-treading annually 7,000 tires, which will be raised in the future to 15 thousand tires."

The source of the enterprise said that the outputs of the "Afghan Industries" enterprise are being sold to state institutions and enterprises. In the future, when the level of production is raised, laundry and toilet soap will also be put on sale through state-run booths co-operative magazines and in

the open market to stabilise the prices. The quality of the soap produced by the enterprise is better than the imported one, while the prices are reasonable.

One of the future plans of the enterprise is to set up a farm for the production of yoghurt and eggs for the workers and employees. The plan is already under way.

Ghulamjan, one of the experienced workers of the "Afghan Industries" enterprise said, "In the past, when the enterprise was being run by traders and capitalists, our destiny was unknown and our life aimless. However, now as a result of the attention of the party and the state and on the initiative of the Ministry of Light Industries and Foodstuffs, the enterprise has been reactivated and is run by the state. Working opportunities are being provided for us. Therefore we peacefully continue our work for our people and the state and try to raise our productions."

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AFGHANISTAN

AGRICULTURAL COOPERATIVES EXPANDING

Kabul KABUL NEW TIMES in English 9 Nov 85 pp 1-2

[Text] The Department of Agricultural Co-operatives Development with 368 co-operatives and a total capital of over Afs 28,134,000 is functioning throughout the country.

The Co-operatives have 60,152 members and an area of more than 97,000 hectares of land.

A source of the Department of Agricultural Co-operatives Development said to a KNT correspondent.

During the first six months of the current Afghan year (begun March 21, 1985) the department has newly established 19 agricultural co-operatives with a capital of more than Afs 700,000 in centre and provinces of the country. The total agricultural area under these co-operatives' activity reaches 2,790 hectares. These co-operatives have 1,504 members.

Similarly, 24 inactive agricultural co-operatives with capital of more than Afs 1,930,000 and the area under their cultivation reaches about 5,000 hectares, have been rehabilitated. These co-operatives have 4,693 members and have again started their activities.

During the first half of the current year the construction work of a co-operative in Kamari village of Bagrami district, Kabul province, has been completed and the construction of a poultry farm is also under way in the framework of the co-operative.

Likewise, the construction work of the basic establishments of the experimental co-operative in Zekrullah-e-Shahid of Jauzjan province has progressed by 50 percent and the establishment of a subsidiary livestock farm will be started soon.

The experiences gained from the co-operative of Zekrullah-e-Shahid have been utilized in ten agricultural cooperatives of Jauzjan province as well.

"In the current year, the agricultural experimental co-operative of Shabdiani in Nangarhar province infrastructure establishment of which will be started with the financial and technical co-operation of the state, has brought an area of 34 hectares of land under cultivation. The co-operative of Barma Ganj, in Balkh province, an area of 100 hectares of land and the experimental co-operative of Hufa Malik in Balkh district, into its own land, have brought an area of 40 hectares of land under cultivation. In the current year cotton has been grown on a portion of derelicted lands. The basic constructions of the co-operative will be completed by the state up to the end of the 3rd quarter of the current year.

"The agricultural co-operative of Tur-Bakhtu in Faryab province which covers an area of 34 hectares of land has been selected as an experimental co-operative and the construction of its infrastructure establishments is financed from the state development budget.

"During the first six months of the current year more than Afs 37 million have been distributed as credit for marketing supplying agricultural tools and implements through the credit sources to agricultural co-operatives and simultaneously an amount of Afs 17 million taken as credit by the members of co-operatives, has been repaid to the credit rendering departments.

"The Department of Agricultural Co-operatives Development has provided the opportunity to export an amount of 300 tons of pomegranate, 350 tons of wool, 7000 tons of grapes and 58,000 Karakul pelts to foreign markets. It has also sold about 4,000 tons of surplus products to the members of co-operatives and local markets and state institutions, indicating an increase of 10,830 tons compared to the first six months of last year and 8230 tons compared to the plan target.

The department has also collected an amount of 2450 tons of pomegranate, 450 tons of wool, 70 tons of walnuts, produced by the agricultural cooperatives to be exported through the Commerce Ministry.

The Department of Agricultural Co-operatives Development has sold about 4,000 tons of chemical fertilisers, over 66 tons of improved seeds, over 142 tons of pesticides, over 400 tons of cotton seeds and 200 boxes of silk works to the members of co-operatives in the centre and provinces.

An amount of Afs 1.1 millions as long term credits for establishing subsidiary farms has been given to the agricultural co-operatives.

"The department, during the same period, has set up 19 orientation courses for its staff in the centre and provinces, over 250 members have enrolled there.

"Similarly, for encouraging and appreciating the work and activity of the pioneer members of agricultural co-operatives in the centre and provinces,

13 of them were awarded honourary medals by Babrak Karmal, General Secretary of the PDPA CC and President of the Revolutionary Council of the DRA.

"For constructing the infrastructural esstablishments of the experimental agricultural co-operatives, totally more than Afs 5 million have been sent to Kabul, Nangarhar, Balkh and Faryab provinces from the developmental budget of the state.

"As a result of publicity work and better organizational activities, 87 members of the agricultural co-operatives voluntarily joined the ranks of the PDPA and 123 persons the NFF, 653 defence groups and 669 other social organizations.

"The attraction of 1,135 peasants to the membership of the co-operatives with a capital of Afs 470,100 and an area of 2,281 hectares of land under their management, makes up part of the activities of these co-operatives in some provinces.

"It should be mentioned that the drawing up and layout of the play and budget of two agricultural experimental co-operatives in Char Asiab and Bagrami districts of Kabul province with the cooperation in guidance of the joint delegations of the FAO and the fraternal country of Hungary have been started.

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ERSHAD INTERVIEW WITH BANGLADESH NEWS AGENCY REPORTED

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp 1, 8

[Text] President Hussain Muhammad Ershad said in Dhaka on Friday the very fact that the seven leaders of one billion people of seven South Asian countries are sitting together is itself a success of the ensuing SARC summit to be held in Dhaka early next month.

In an exclusive interview with BSS the President said South Asian sub-continent was characterised by discord and distrust, rivalry and conflict and even open hostility. It was mainly because of colonial legacy, he observed.

Expressing his optimism about the summit, President Ershad said, "happily there has been a major shift from that environment in recent times. We are gradually moving from confrontation to conciliation. A climate of mutual understanding, peace and stability as fast taking shape."

The President attributed this "happy change" to the growing awareness among the countries of the region for collective approach to peace, stability and cooperation for the benefit of all of them and their people. Resources and energies drained out in hostility or useless tension can better be utilised for mutual benefit of the peoples of the region, he said, adding: "SARC is geared to this objective."

Giving his thinking as to how SARC will benefit the sub-continent, President Ershad said SARC is the most earnest effort by the countries of our region to collectively promote peace, stability and development in the region. "South Asia has long been a distinct region, but without the concept of a region. The seven countries of the region are quite different and distinct with their own identities and perceptions, and yet there are similarities, shared history, a regional identity and common aspiration and problems," he pointed out.

The President said through the institution of SARC, we hope to achieve two broad sets of objectives. The first was the promotion of functional cooperation in areas of common concern and the other was that SARC would allow these countries and peoples to know more about one another, which would diffuse tension, generate mutual confidence and expand the areas of cooperation for the benefit of no less than one billion people.

President Ershad said the SARC summit is significant because it will be the first summit meeting of our region in purely South Asian context.

President Ershad said inauguration of SARC is not an end in itself, but merely an instrument to achieve bigger goals. "There is no room for complacence."

Asked if SARC is to be developed like EEC, the President said no two regions had identical priorities, problems or constraints. "We do not think SARC as something static. It must continue to evolve and develop and adapt to changing times and requirements."

He said the shape it would eventually assume would depend on the governments and peoples of the SARC countries "What we have achieved up to now is only a beginning. We certainly envisage a more comprehensive role for SARC in times to come," he said.

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BEGUM ZIA SPEAKS AT BNP LEADERS' SPECIAL SESSION

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp 1, 8

[Text] The two-day special session of Bangladesh Nationalist Party central leaders (BNP) ended on Friday with Begum Khaleda Zia in the chair.

The meeting took stock of country's political, economic and social situation. Mirza Golam Hafiz, Maj Gen (Retd) Majidul Huq, K.M. Obadur Rahman, Saifur Rahman, Barrister Abul Hasnat Col (Retd) Ali Ahmed, Barrister Rafiqul Islam, Khandakar Delwar Hossain, Mirza Abdul Halim, Dr Musharaf Hossain, Mr Shahjahan Omar, Barrister Najmul Huda, Mr Shamsul Islam, Mr Abul Kasem, Mr Nasrul Islam, Mr Afazuddin Fakir, Mr Abdul Matin Chowdhury, Mr Mujibur Rahman, Mr Harun-ur-Rashid, Mr Mokhlesur Rahman, Mr M.Hafiz, Mr Abdul Mamun Bhuiyan and other leaders, participated in the discussion.

Begum Khaleda Zia was critical of management of economy of the country saying production had gone down. Law and order situation had deteriorated and people were suffering. She said that prices of essential commodities specially rice, dal, oil, onion, sugar, had gone beyond the purchasing power of the people. Jute growers were not getting fair prices of the jute. But the prices of fertilizer insecticides and other agricultural inputs had gone up.

Criticising the disinvestment policy, Begum Zia said all nationalised profit earning banks were being given to private sector but no efforts had been taken to check the loss in public sector corporations.

Begum Zia said that power tariff was increased but no measure was taken to reduce the wastage of electricity.

Referring to five-point demand for the establishment of peoples government in the country, Begum Zia said that though the government was taking about holding election it was yet to restore fundamental rights of the people. She called for unity of all democratic nationalists and patriotic forces for the restoration of democracy and fundamental rights of the people. She urged the people to make the rally on November 28 a success. She also demanded the open politics before SARC summit. Since we want the success of SARC summit that is why we demand open politics before SARC summit so that we can prove that we are determined to establish democracy in all walks of life, she said.

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CSO: 4600/1250

BANGLADESH

LEADERS SPEAK AT INDIAN OCEAN PEACE ZONE WORKSHOP

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Deputy Chief Martial Law Administrator Rear Admiral Sultan Ahmed on Saturday said that the deteriorating political and security climate in the region intensified the urgency for the early convening of the scheduled Colombo conference of the UN to make Indian Ocean a zone of peace, reports BSS.

He was inaugurating a three-day international workshop on "Indian Ocean as a zone of peace."

Bangladesh believed that the active participation and full cooperation among the littoral and the hinterland countries, the major maritime users and the permanent members of the UN Security Council were essential for the success of the conference Rear Admiral Ahmed said.

Bangladesh's stand, he said, on different aspects of the proposal for creation of Indian Ocean as a zone of peace "is clear and unambiguous."

"We maintain," Rear Admiral Ahmed said, "that the zone of peace should cover the Indian Ocean, its natural extensions, the islands thereon, the ocean floor subjacent thereto, the littoral and the hinterland countries and the air-space above."

Bangladesh, he said, shared the concern expressed by the littoral and the hinterland countries in their 1979 report about foreign military presence in the region.

Humayun

Speaking at the workshop Foreign Minister Humayun Rasheed Chowdhury pledged Bangladesh's support to any effort to remove nuclear and mass destruction weapons from the Indian Ocean and free the area from big power rivalry.

The Foreign Minister also declared Bangladesh's strong support to measures to establish an "institutional framework within any universal collective security system" that could be worked out for resolution of disputes among the littoral and hinterland countries themselves.

It is in the spirit of fostering and promoting regional security and cooperation that Bangladesh has been undertaking persistent efforts to create a forum in the South Asia region, the Foreign Minister told the workshop jointly sponsored by the Bangladesh Institute of International and Strategic Studies (BIISS) and the New York-based International Peace Academy (IPA).

The Foreign Minister recalled the declaration adopted at the 26th UN General Assembly session which in the backdrop of "certain developments" expressed the determination of the peoples of the littoral and hinterland countries to preserve their independence, sovereignty and territorial integrity.

The UN declaration he said also expressed these countries' determination to resolve their political, economic and social problems under conditions of peace and tranquility.

"We have, however, observed with deep concern the escalating foreign military presence in the region and certain lack of responsiveness to enter into any meaningful consultations within the ad-hoc committee established by the UN General Assembly which would facilitate implementations of the declaration," the Foreign Minister said.

Describing the conclusion of the US Soviet talks in Geneva on a "positive note" the Foreign Minister hoped that the easing of international tension would, in the long run, help the task of translating the concept of the Indian Ocean peace zone into a reality.

The workshop is being participated by delegates from Afghanistan, Australia, Bhutan, India, Japan, Sri Lanka, Iraq, Canada, China, France, Singapore, Nepal, Mauritius, USA and Indonesia.

Chairman BIISS, former Foreign Minister Prof Shamsul Huq described the "zone of peace" concept as a non-military response to the threat posted by the East-West polarization and the consequent arms race and power rivaly.

BIISS Director General Brig M. Abdul Hafiz and President IPA Maj Gen (retd) Indarjit Rikye also spoke at the inaugural session.

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FOREIGN EXCHANGE RESERVE DROPS TO CRITICAL LEVEL

Dhaka HOLIDAY in English 15 Nov 85 pp 1, 8

[Article by Hassan Abul Quashem]

[Text]

The foreign exchange reserve of the government has declined alarmingly following the great surge in mainly non-development expenditure during the first four months of the current financial year.

The reserve position has now reached a very critical stage as the government, with its present resene, is not is a position to meet even one month's import bills in line with the current import programme. The situation might explode if the government fails to make any additional arrangement with foreign donors.

Finance adviser Syeduzzaman has already sent a telex to the World Bank, requesting it to release the fund under import progrmme credit-13 (IPC-13) which is worth about 150 million US dollars. The World Bank did not clear this fund to Bangladesh because of government's apparent failure to meet the conditionalities as set forth in the agreement.

The World Bank is now negotiating the deal with Bangladesh in response to the request of the finance adviser to meet the emergency requirement of foreign exchange by the country.

RESERVE POSITION

The government currently has a total of 275 million dollars of foreign exchange reserve, of which about 13 million dollars is in the form of gold reserve, over one million in the form of special drawing rights (SDRs) and the rest as cash kept in the form of different foreign exchanges. This, however, includes 120 million dollars of foreign exchange which is deposited by a number of central banks of the Muslim countries as a gesture of friendship and goodwil after deducting this amount, Bangladesh will have a total cash reserve of 130 to 140 million dollars, implying a bare minimum of one month's requirement for imports.

The government now requires a total of about 400 crore takas (approximately 130 million dollars) to meet the import requirement which in recent months has increased considerably following the increase in non-development expenditure for import of various items and travelling of government officials abroad. The expenditure has already exceeded the allocations of foreign

exchange in different heads breaking down the discipline of foreign exchange budget during the first four months of the current fiscal year.

The Foreign Ministry and ministry of youth have already sought additional allocations of Tk. 50 lack and 47 this month from the Finance Ministry to meet their excess requirements. Besides, the government will have to provide a substantial quantum of foreign exchange for the import of various security equipment, transports and other accessories for the South Asian regional Cooperation summit meeting to be held in Dhaka next month.

The Foreign Ministry has already spent their yearly allocation of Tk 50 lakh and the Minister of Youth spent about Tk. 30-40 lakh for the purpose of import of various equipment for the SARC games. Some other ministries are also pressing the Finance Ministry for additional allocation this year. This reflects an excessive foreign exchange expenditure by the government this year.

The concerned authority has already refused a proposal for the purchase of a readar by the Ministry of Defence at a cost of about 140 crore takas on the plea that the present scarce resources do not allow the authority to allocate more foreign exchange for the purchase of the radar.

A total of Tk 90 crore is earmarked for monthly import of petroleum, oil and lubricants in the import programme.

LESS REMITTANCES

The present reserve position has also been drawing down in view of a gradual decline in the inward remittances from abroad. The reserve position stood at 375 million dollars as on June 30, 1985 equivalent to 1.7 months of import requirements, implying a substantial draw down of reserves of around 140 million dollars than the fiscal year 1984. The foreign exchange reserve position was an all time low during the fiscal 1982.

The sluggish trend in imports might ease up the present worsening reserve position, according to government officials. But this might have serious repercussions on the economy at the end of the current year as the import of capital goods has been showing a declining trend.

NEGOTIATIONS WITH WB

The negotiations between Bangladesh bank and the World Bank on IPC-13 began at Dhaka last week. The IPC credit was suspended following Bangladesh's apparent refusal to accept the conditionalities of the bank. The negotiations were suspended last year and later resumed in March last. The IDA mission expressed its regret that Bangladesh has failed to take effective steps in the preparation of IPC' policy package. The negotiations on the IPC-14 is also on. A pre-appraisal mission of IDA also held discussion with government officials in last month. The IPC programme of the World Bank was intended to support the government's effort to strengthen fiscal management and planning through consolidating and extending reforms in budgetary process, implement policy and structural reforms in the agricultural sector and expediting project implementation. It has close linkages with the International Monetary Fund's structural adjustment programmes.

The IPC-13 conditionalities brought forth the whole gamut of investment and pricing policy including the bugdetary planning and management, special provision in the ADP for operation and management head, interest rates structure, agricultural lending, credit recovery, appointment of consultants, upward revision of fertilizer prices etc.

According to available indications, Bangladesh has, of late, succumbed to the pressure of the World Bank. Most of the conditionalities would possibly be met during the current negotiations to avail of the 150 million dollars IPC equivalent to about Tk. 450 crore, according to a government official. An agreement might be signed in Dhaka shortly to this effect.

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BANGLADESH

EXPORT EARNINGS DOWN DURING EARLY FISCAL YEAR

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Export earnings during the first four months of the current financial year ending October amounted to Tk 797.75 crore compared to earnings of Tk 747.14 crore during corresponding period of last year, showing an increase of about 7 percent Commerce Minister Kazi Zafar Ahmed said in Dhaka on Saturday, reports BSS.

He was presiding over the meeting of Board of Management of Export Promotion Bureau said in a press release.

While reviewing the performance it was noted that progress has been made in non-traditional sector particularly frozen food and agricultural products showed increase of 31 percent and 120 percent respectively over the corresponding period of last year.

Due to glut in the international market our traditional sector, particularly jute sector, could not show expected performance during first four months of the financial year which is likely to cover up in future, the press release said.

On the other hand non-traditional sector's growth has shown an increase of 38 percent in term of Taka, 21 percent in dollar terms and 18 percent in volume.

The Minister who is also Chairman of the board reviewed different policy measures adopted by EPB for augmentation of export. In this regard, the Minister particularly mentioned the different product and market development strategies EPB has taken up and showed his satisfaction over the progress. He also urged EPB and other concerned officials to work with national spirit for increase in export earning.

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CSO: 4600/1251

BANGLADESH

MIDEAST DEMAND FOR BANGLADESH MANPOWER DECLINING

Dhaka THE BANGLADESH TIMES in English 23 Nov 85 pp 1, 8

[Text] The oil-rich West Asian and North African (WANA) countries have been showing declining interest in recruiting Bangladeshi manpower for employment in those countries in recent years. The situation may go worse in the near future if realistic measures are not taken to train up people for employments in the Middle Eastern countries.

Besides the Gulf countries Syria, Libya, Algeria and Nigeria began to recruit Bangladeshi nationals in large scale in 1976 the majority of the expatriate manpower being unskilled ones. But since these countries are switching over from infrastructure building objectives to economy building ones the the demand for unskilled manpower in these countries is declining fast.

During the period 1976-1984 a total of 3,28,250 Bangladeshis had secured employments in the WANA countries and the monetary restrictions imposed by the governments of these countries, many Bangladeshis make remittances through American and other foreign banks. So remittances assume a triangular route shrouding the real source, the report added.

According to the report, the share of remittances in the country's total foreign exchange earning has been increasing very rapidly and in 1983-84 it constituted a share as large as of 42.76 percent surpassing the earnings from the country's traditional raw jute goods.

Pointing to the role played by remittances in the country's economy the study said that it had been providing considerable succour to the country's deficit balance of payment, the extent of such deficit coverage being 39.20 percent in 1982-83.

Major share of remittances was found to have been spent in purchasing lands and consumer goods like televisions, two-in-ones, refrigerators, ornaments and other expensive household items.

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BANGLADESH

PAPERS REPORT OUTCOME OF INDO-BANGLADESH WATER TALKS

Irrigation Minister Talks to Newsmen

Dhaka THE BANGLADESH TIMES in English 24 Nov 85 pp 1, 8

[Text] Irrigation Minister Anisul Islam Mahmud said in Dhaka on Saturday a fresh-effort has started for a permanent solution to the Ganges waters sharing question between Bangladesh and India.

Talking to BSS on return from New Delhi after a five-day water talks with his Indian counterpart B.B. Shankaranand, he said he was optimistic about a permanent and mutually acceptable solution to the water problem.

At the meeting, the two Irrigation Ministers signed a new memorandum of understanding for sharing the Ganges waters for the three coming dry seasons.

They also set the terms of reference for a 12-month long joint study of the common river water resources.

The meeting was originally scheduled to conclude on Thursday had to be extended by a day so that the two sides could sign the memorandum and set the terms for the joint study as agreed between President Ershad and Indian Prime Minister Rajiv Gandhi in Nassau, the Bahamas, on October 18.

Although the basics were agreed upon at the highest level in Nassau, the Delhi talks had run into difficult grounds, the JRC sources said.

Mr Mahmud said the credit for reaching the understanding goes to President Ershad and Prime Minister Rajiv Gandhi.

The two Irrigation Ministers set up a four-member joint expert committee comprising the Irrigation Secretaries of Bangladesh and India and the engineering members of the JRC of the two sides to conduct the study which Mr Mahmud said started with the signing of the agreement in Delhi yesterday.

The joint study of the common river water resources will have to be completed by November 21, 1986 and the two Irrigation Ministers will review its progress after six months from Friday.

Mr Mahmud said the three-year memorandum for water sharing of the Ganges river would be on the same terms as the October 1982 Memorandum of Understanding (MOU).

The joint study, the Minister said, would seek to collect hydro meteorological data to find out the river water availability, points and locations for sharing the waters, sharing schedules and identify all schemes for sharing.

The joint study, he said, would go for alternatives not considered before.

The Irrigation Minister said that the Ganges augmentation would be a separate study which would take into consideration water availability within the Ganges.

Asked whether the arrangements reached could be described as satisfactory, Mr Mahmud said he would prefer to say he was himself 'satisfied.'

"My reaction is good," he added.

But basically, he said, it were President Ershad and Premier Rajiv Gandhi "who in their anxiety to solve the outstanding water problem and improve the relations reached the understanding in Nassau."

The Ganges water problem, he said, needs a permanent solution.

Leaves Delhi

Earlier meassage adds: Minister for Irrigation and Flood Control Mr Anisul Islam Mahmud left New Delhi on Saturday for Dhaka after four days of extensive meeting with his Indian counterpart that led to the signing of the Indo-Bangladesh Memorandum of Understanding (MOU) on the river water resources yesterday.

He was seen off at the Delhi airport by Indian Minister for Water Resources Mr B. Sankaranand and senior officials of the Ministry. Bangladesh High Commissioner in India Air Vice-Marshal (Retd) A.K. Khandker was also present at the airport.

Text of Talks Memorandum

Dhaka THE NEW NATION in English 26, 27 Nov 85

[26 Nov 85 p 3]

[Text] The Irrigation Ministers of Bangladesh and India signed on Thursday in New Delhi, their second Memorandum of Understanding (MOU) since October 1982, reports BSS.

The MOU was signed after a five-day water talks in the Indian capital.

The MOU official by release to press here on Sunday is as follows:

In pursuance of the understanding reached between H.E. Lt Gen H.M. Ershad, President of the People's Republic of Bangladesh and H.E. Sree Rajiv Gandhi, Prime Minister of the Republic of India during their recent meeting at Nassau, the Bahamas, the irrigation ministers of the two countries met at New Delhi from November 18 to 22, 1985 to set out the terms of reference of a joint study to be undertaken by experts of the two sides, of the available river water resources common to both countries, with a view of identifying alternatives for the sharing of the same to the mutual benefit including a long terms scheme for augmentation of the flows of the Ganga-Ganges at Farakka and to sign a Memorandum of Understanding for the sharing of the Ganga-Ganges waters at Farakka for a period of three years commencing from the dry season of 1986 on the same terms as the 1982 Memorandum of Understanding.

It has already been recognised that the basic problem of inadequate flows of water in the Ganga-Ganges available at Farakka during the dry season imposes sacrifices on both countries, and that the long-term solution lies in augmenting these flows. At the same time, the need to arrive at an equitable sharing of the water available at Farakka has also been recognised.

Accordingly it is agreed to undertake a joint study with the following terms of reference:

(I) The objective of the study will be (A) to work out a long-term scheme or schemes for the augmentation of the flows the Ganga/Ganges at Farakka and (B) to identify alternatives for the sharing of the available river water resources common to both countries for mutual benefit.

(II) The study will be undertaken by a Joint Committee of Experts (JCE). The JCE will consist of the secretaries concerned of the two governments and the two engineering members of the Joint Rivers Commission from each side. The JCE will determine its own procedures and will take such other steps as may be necessary to ensure its completion within the time-frame of 12 months.

(III) the study will cover the following:

(a) Sharing the available river water resources common to India and Bangladesh.

(a) Ascertaining the available river water resources common to both countries based on the collection and analysis of available relevant hydrometeorclogical data in both countries.

b) Study of alternatives for sharing the available river water resources to mutual benefit.

(c) Identification of the locations of the points of sharing of the rivers, periods of sharing and schedule of sharing where appropriate.

(B) Augmentation of the dry season flows of the Ganga-Ganges at Farakka.

Identifidation of scheme for the augmentation of the flows of the Ganga-Ganges at Farakka by the optimal utilization of the surface water resources of the region available to the two countries.

[27 Nov 85 p 3]

[Text] The following is the remaining part of the Memorandum of Understanding partially published in our Tuesday's issue.

The study will start immediately and will be completed in 12 months from the date of the present memorandum. There will be a review of the progress of the joint study at the ministerial level at the end of six months from the date of the present Memorandum of Understanding. At the end of the 12-month period, a summit level meeting between the leaders of the two countries will take place to take a decision on the scheme of augmentation of the flows of the Gange/Ganges at Farakka and the long-term sharing of the rivers.

It is also agreed that on an interim basis, the releases of the Ganga/Ganges waters available at Farakka for the next three dry seasons and the joint inspection and monitoring arrangements for this purpose will be as in annexure 'A.' It is further agreed that in the case of exceptionally low flows during any of the next three dry seasons the two governments will hold immediate consultations and decide how to minimise the burden to either country.

Signed at New Delhi on the 22nd day of November 1985 in two originals in English, each of which is equally authentic.

ANNEXURE--A
SCHEDULE

Sharing of waters at Farakka between January 1 and May 31:

PERIOD	Flows reaching Farakka (based on 75 percent availability from observed data (1948-73)	Withdrawal by India at Farakka	Release to Bangladesh
(1)	(2) Cusecs	(3) Cusecs	(4) Cusecs
JANUARY 1-10	98,500	40,000	58,500
11-20	89,750	38,000	51,750
21-31	82,500	35,500	47,000
FEBRUARY 1-10	79,250	33,000	46,250
11-20	74,000	31,250	42,750
21-28/29	70,000	31,000	39,000
MARCH 1-10	65,250	26,500	38,750
11-20	63,500	25,500	38,000
21-31	61,000	25,250	35,750
APRIL 1-10	59,000	24,000	35,000
11-20	55,000	20,750	34,750
21-30	55,000	20,500	34,500
MAY 1-10	56,500	21,500	35,000
11-20	59,250	24,250	35,000
21-31	65,500	26,500	39,000

If the actual availability of waters at Farakka during a 10-day period is higher or lower than the quantum shown in column 2 of the Schedule it shall be shared in the proportion applicable to that period.

The joint inspection and monitoring of the above sharing arrangement shall be the responsibility of a joint committee consisting of an equal number of representatives of each side. The Joint Committee shall be constituted immediately and shall establish teams to be stationed at Farakka and Hardinge Bridge. These teams shall record at Farakka the daily flows below Farakka Barrage and in the feeder canal and the flows passing daily at Hardinge Bridge. The Joint Committee which shall decide its own procedures and method of functioning shall submit the data collected by it and its teams and a yearly report to both governments.

The Joint Committee shall be responsible for implementing the sharing arrangement. Any difficulty arising out of the implementation of the above sharing arrangements and of the operation of the Farakka Barrage shall be examined urgently by this Joint Committee and any differences

or disputes, if not resolved by the committee shall be considered by a panel of an equal number of representatives of the two governments to whom the Joint Committee shall refer the difference or dispute. If the difference or dispute remains unresolved by the panel, it shall be referred to the two governments for urgent discussion.

/9317
CSO: 4600/1251

BANGLADESH

SARC CULTURAL CONFERENCE ADOPTS RESOLUTIONS

Dhaka THE BANGLADESH OBSERVER in English 18 Nov 85 p 10

[Text]

Fiftyone recommendations were adopted on the concluding day of the four-day seminar on South Asian Regional Cooperation (SARC) in education science and culture organised by the United Nations Association of Bangladesh (UNAB) at a local hotel on Sunday.

The seminar was inaugurated earlier by Mr. Humayun Rashid Chowdhury Foreign Minister of Bangladesh on November 14 last The seminar was participated by the delegates from Bangladesh Bhutan India Nepal Maldieves, Pakistan and Sri-Lanka. A total of 39 papers were read out during the four-day seminar.

A consensus was reached at the seminar as to the need for cooperation among the countries of the South Asian region. It was felt that SARC would provide an appropriate forum for such cooperation. The participants at the seminar also suggested popularisation of home science through the cooperation of SARC countries. It also wished the success of the ensuing SARC summit.

Some of the recommendations are appended below: Education be included separately in the list of areas of cooperation among the SARC countries efforts be made by the national governments of the region to increase allocation of funds to the education sector to the level of five per cent of respective national product, steps for the national governments of the SARC countries to achieve mass literacy and to introduce universal primary education, a SARC institution of adult education be established in one of the countries of the region, establishment regional and vocational education information service for the exchange of information and documentation on curriculum contents, learning resource materials, test times, monographs on research findings for surveys and case studies among other centres for South Asian studies be set up at least one institution of higher learning in each of the SARC countries, exchange programme of scholars and students and arrangements for training in various fields of education, adoption of planning for appropriate educational technology, measures be adopted for integration of female education with income generating activities removal of the additional obstacles to women's equal participation in the consciousness raising programmes including revision of curricula and design of text books, establishment of science and technology wing headed by a scientist in the SARC Secretariat for monitoring and coordinating joint programmes in S and T and establishment of a centre for development, repair and maintenance of educational and scientific equipment in one of the SARC countries and setting up of a meteorological, oceanographical and ecological research and training in one of the SARC countries.

Presided over by Professor M. Shamsul Huq, Vice-Chancellor, University of Dhaka, the concluding day of the four-day seminar was addressed among others by Professor Ahmed Hasan Dani of Pakistan, Dr. Abdul Mazid Khan, former Education Minister of Bangladesh, Miss Chandra Gorang of Bhutan, Miss Rasheda Didi of Maldives, Mr. S. D. Pandey of India, Professor K. B. Singh of Nepal.

In his speech Professor Ahmed Hasan Dani eulogised the role of the United Nations Association of Bangladesh for holding this seminar for the promotion of science, education and culture among the SARC countries.

He remarked this seminar had immensely helped the members of the SARC countries to know, understand, learn and feel each other.

Professor Dani observed that the seminar is one of the greatest achievement of UNAB as its activities will reflect in the SARC countries. He added "we are human beings, but the big countries put constrains on others."

In his presidential speech Professor M. Shamsul Huq stressed the need for regional cooperation in the field of education, science and technology.

/9317
CSO: 4600/1246

BANGLADESH

BRIEFS

PERIODICAL PROHIBITED--The government has prohibited with immediate effect publication of any subsequent issue of the Bengali periodical titled "Satadal" printed, published and edited by A.L. Zahirul Hoq Khan from the Cme Press of 89 Kailash Ghose Lane, Dhaka-1 as well as 53, Dinanath Sen Road, Gandaria, Dhaka-4 for prejudicial articles appeared in its issue of July 1985. The articles to endanger the maintenance of good public order. The action has been taken under the relevant section and sub-sections of the Special Power Act 1974. [Text] [Dhaka THE BANGLADESH TIMES in English 24 Nov 85 p 1] /9317

CSO: 4600/1252

INDIA

RAJIV REMARKS ON ROUTE TO DHAKA REPORTED

Calcutta THE STATESMAN in English 10 Dec 85 p 1

[Excerpt] New Delhi, Dec 9--The Prime Minister, Mr Rajiv Gandhi, today dismissed as unfounded apprehensions that India would dominate the South Asian Association for Regional Cooperation as the largest country, reports PTI. "Everyone in SAARC is equal," he told reporters.

Mr Gandhi was speaking on board the special IAF aircraft shortly before landing in Delhi from the Dhaka summit. Otherwise it would not have been possible to establish SAARC, he said.

Asked about President Zia's remarks in an interview that India's dominant position could be a deterrent, Mr Gandhi said it was necessary to build confidence among nations participating in SAARC to remove such misconceptions.

Replying to a question about Pakistan's assertion that it did not have a nuclear weapon programme, the Prime Minister said there was circumstantial evidence that Islamabad was attempting to produce such weapons. "We have to wait and watch and exercise caution," he added.

Described the outcome of the SAARC summit as very good, Mr Gandhi said, the attitude of all the leaders who attended the Dhaka meeting had been positive.

Asked whether he had discussed the TULF proposals with President Jayewardene, the Prime Minister said he had not seen the proposals.

Stressing the need to strengthen economic relations among SAARC nations, Mr Gandhi said the pursuit of a new international economic order and the issues now before were important for the developing nations.

"We feel cheated, especially on textiles, in the Tokyo round," he added.

Replying to a question, he said India and Bangladesh had decided to sort out certain bilateral problems like the intrusion of the Chakma tribals.

/9317
CSO: 4600/1271

REPORTAGE ON NEW GOVERNMENT IN ASSAM

Cabinet Sworn In

New Delhi PATRIOT in English 25 Dec 85 p 1

[Text]

A 21-member Asom Gana Parishad Ministry headed by Mr Prafulla Kumar Mahanta assumed office today.

Governor Bhishma Narain Singh administered the oath of office and secrecy to Mr Mahanta and his team at a ceremony held at a packed Nehru Stadium.

The swearing-in-ceremony, held at a public place for the first time in Assam, drew a record crowd which greeted all the ministers with thunderous applause.

Chief Minister Prafulla Kumar Mahanta introduced to the public the newly elected AGP MLAs and members of Parliament.

Addressing a public meeting shortly after the swearing-in-ceremony, Mr Mahanta said that their government would do its best to justify the faith reposed in their party by the people. He sought the cooperation of all, including the Opposition parties, for the speedy and all round-development of Assam.

He described the AGP as a regional party with a national outlook and said that all sections of the society, including the minorities and those Indian citizens who had come from outside Assam would be treated without any discrimination.

He declared that the members of his Cabinet would not attend any public reception or foundation stone laying ceremony at least for a month and concentrate on their work.

Mr Mahanta thanked the people of Assam for giving the AGP a resounding victory in the polls, and praised them for voting out the "infamous and illegal Government" that took office after the 1983 elections.

Most of the Opposition leaders and MLAs, including those of Congress were conspicuous by their absence at the function. Among those present at the ceremony were, Mr P Upendra, leader of Telugu Desam Party in Parliament and well-known journalist Mr Arun Shourie.

A notable absentee at the ceremony was Mr Biraj Sarma, who has been excluded from the Ministry.

Sheikh Mohammed, the Speaker of the dissolved Assembly was the only Opposition leader present.

The Ministers took the oaths in Assamese from a flower-bedecked platform specially built for the occasion.

Mr Mahanta was followed by Mr Phukan, who will also look after the excise portfolio, Mr Lalit Rajkhowa (food and transport), Mr Atul Bora (public works), Mr Bharat Narah (irrigation and tribal welfare), Mr Digen Bora (industry and power), Mr Surendra Nath Medhi (law), Mr Nagen Sarma (veterinary and animal husbandry), Mr Barki Prasad Telanga (labour), Mr Sahidul Alam Choudhury (municipal administration), Mr Chandra Arandhara (panchayat) and Mr Nilamani Das (agriculture and fisheries), all of them of Cabinet rank.

The seven Ministers of State were administered the oath collectively.

The Ministers of State are Mr Dipen Tanti (transport and labour), Mr Pradip Gogoi (parliamentry affairs), Mr Anirudha Singh Chaudhury (welfare of backward tribes), Mr Jatin Mali (health), Mr Padmeswar Dole (panchayat), Mr Moti Das (agriculture and fisheries) and Ms Rekha Rani Das Boro (weaving and women welfare).

Mr Mahanta himself will hold charge of the newly created department of Assam accord implementation besides finance, health, general administration, employees and sports and forests.

The hour-long ceremony which began at 0930 hrs was punctuated with frequent applause from the crowd, which had waited patiently for three hours to watch the ushering in of the new look ministry.

Home Minister Bhrigu Kumar Phukan, the Parishad general secretary-in-chief, said the AGP's would be a people's government and reiterated the party's commitment to provide a strong, stable and clean administration.

Mr Phukan asked the people to frustrate the designs of vested interests out to divide the State on the lines of race, religion and community, and appealed to all to work unitedly for building "a greater Assamese society".

Mr P Upendra, Telugu Desam MP, congratulated the AGP for its resounding success in the Assembly and Lok Sabha elections, and invited its leaders for the Desam's annual conference at Hyderabad in the first week of January.

He also conveyed greetings on behalf of Andhra Chief Minister N T Rama Rao on their success.

Background on Officials

Bombay THE TIMES OF INDIA in English 22 Dec 85 p 9

[Article by Seema Guha: "Youths Who Make Up AGP"]

[Text]

GUWAHATI, December 21.

NOT even in their wildest dreams could the students who spearheaded the Assam agitation six years ago have perhaps thought that they would be the rulers of the state.

In the early days of the agitation, the students had taken the first steps at building up a mass movement with understandable nervousness. However, their views on two things were clear: repugnance towards all politicians, particularly of the Congress, and on the apolitical nature of their movement.

In fact, the former All-Assam Students' Union president, Mr. Prafulla Mahanta, and the general secretary, Mr. Bhrigu Kumar Phukan, had made it clear on several occasions that they were not interested in politics and that they would retire from public life once the foreigners' problem was satisfactorily solved.

SUDDEN VOLTE FACE

What is responsible for the volte-face by them as regards public life?

The Assam accord with which they were to bow out of public life had rejuvenated a flagging movement and catapulted them into the limelight. And for the next five years, armed with the popular mandate, they are expected to guide the destiny of Assam.

How will the young politicians do it is the question on everyone's mind now. Most of the former AASU leaders, elected to the assembly, are in their late twenties and early thirties. The majority of them are from lower middle-class families with a semi-rural background.

Neither Mr. Mahanta nor Mr. Phukan, the superstars of the movement, could claim intellectual capabilities of leftist revolutionaries, or an ideological commitment. But both are sober, practical, honest young men.

They have been courted by opposition stalwarts such as Mr. A. B. Vajpayee, Mr. Ravindra Varma and Mr. Ramakrishna Hegde, but they have taken it in their stride and not been taken in by the adulation.

NO SYCOPHANTS

While Mr. Mahanta and Mr. Phukan are liked by the former agitationists, there are no sycophants around them. The other AASU leaders such as Mr. Kartick Hazarika have made it plain that there is no question of backing everything an Asom Gana Parishad government would do. "If we find they have gone wrong we will be as critical of their performance as of any other government."

It now transpires that Mr. Mahanta and Mr. Phukan have been preparing themselves for a political career despite their denials. In retrospect, they seem to have done little else in the last few years.

The duo has frankly admitted they had little time to indulge in all those things young men are apt to. They have found time to choose their girlfriends at least. Mr. Mahanta, may get married while in office as chief minister.

DISARMING HONESTY

Mr. Bharat Narah, a Mishing tribal from Lakhimpur district, is one of the most popular leaders of the AGP who is honest about his political ambitions. His boyish looks and exaggerated rhetoric against the Congress make him an instant draw at public meetings. Having held an important position in the AASU executive, he has always made it clear that he wants to carve out a political career for himself. He says with disarming honesty, "I can think of no other career for myself." (This he stated at a time when Mr. Mahanta and Mr. Phukan were refusing to admit that they were to enter politics).

Another fiery orator, Mr. Atul Bora, who claims he was the father of AASU and who later fell out with the agitation leadership, has a mind of his own. According to him, he took over the organisation and breathed new life into it. Later, he joined the Purbanchaliya Lok Parishad and became the covenor of All-Assam Gana Sangram Parishad. He had refused to join the Assam bandh on August 14, 1984, on the foreign nationals issue. He was subsequently stripped of the position of convenor.

The Purbanchaliya Lok Parishad was not a signatory to the Assam accord. Its leaders claimed that they were not consulted. They dubbed the accord a betryal of the people of Assam. Today Mr. Bora does not wish to remember past bickerings. He is all set to work for the successful implementation of the accord. But how long the honeymoon among the former agitation groups that comprise the AGP lasts remains to be seen.

During the formation of the AGP at Golaghat, the Purbanchaliya Lok Parishad nearly walked out of the meeting, but was prevented from doing so through the mediation of the AASU think-tank, Mr. Brindaban Goswami. He has meticulously planned and led the movement from the start.

While Mr. Mahanta and Mr. Phukan hogged the newspaper headlines, Mr. Goswami remained in the shadows. Every important decision during the movement was taken only after consulting him. In fact, the Golaghat political convention was exclusively Mr. Goswami's show. Many people in the state would like to see him take over the mantle of chief ministership.

/13046
CSO: 4600/1292

INDIA

RESOLUTION OF CPI EXECUTIVE MEETING REPORTED

Calcutta THE STATESMAN in English 10 Dec 85 pp 1, 9

[Text] New Delhi, Dec 9--The Central leadership of the Communist Party of India has criticized the Marxist Communist-led Left Front Government in West Bengal for setting up of a number of joint industrial projects in collaboration with monopoly houses and multinationals.

The Central Executive Committee of the CPI which met here between December 4 and 7, said in its resolution the rival Marxist Communist-led Government's industrial policy "is grievously misguided" since collaboration with the multinationals in the joint ventures projects would weaken the country's public sector. The policy would help "strengthen the monopolies, trans-nationals and impair our efforts at national self-reliance."

The CEC resolution of the CPI, which obviously embarrasses the CPI(M) central leadership on the latter's Leftist credentials, also noted with concern that its State Government's industrial policy was passed by the recent West Bengal State Conference of the CPI(M), approving the setting up of such joint ventures. The move had naturally attracted criticism from Left and other circles, within West Bengal and in other parts of the country. It was also to be noted that the CPI(M) led Government's policy contradicted the Left Front's own programme.

Besides, the CPI resolution pointed out the West Bengal Left Front Government's new policy would also disarm the Left's struggle against the economic policy of the Congress(I) Government on weakening of the public sector and opening up the market to the transnationals which has received new impetus under Mr Rajiv Gandhi. "It would give the Congress (I) a handle to justify its own wrong policies and encourage non-Congress (I) State Governments run by regional and other bourgeois Opposition parties to embark on such a course, the resolution said.

Having condemned the CPI(M)-led Government's industrial policy, the CPI's CEC resolution went on to say, in an obvious attempt to soften its criticism, that the Central discriminated against West Bengal and refused to invest in some industrial ventures in the State. For instance, despite assurances on the floor of Parliament after long persuasion the Centre had turned down the proposal for collaborating with the State in setting up a petro-chemical complex in Haldia.

However, the CPI central leadership still felt that people looked up to the CPI(M)-led Left Front Government in West Bengal in the hope that it would be a pace-setter in the direction of projecting progressive alternatives as opposed to "bourgeois policies, even in difficult conditions." This applied also to working out and implementing a policy for comprehensive industrial development and increasing employment opportunities. It had to be worked out through wide democratic consultations.

The CEC meeting was presided over by Mr Phani Bora, veteran leader of the Assam unit of the party. It discussed and adopted two documents: the review of political and economic developments and the party's activities since the Varanasi Congress (1982) and the political resolution on current national and international development and tasks.

These are draft documents for the coming party Congress which is going to be held at Patna from March 12 to 17, 1986. These documents will be placed before the National Council which is meeting from December 18 to 22, 1985 in Delhi. After these, the documents will be released to the party ranks.

/9317
CSO: 4600/1271

WRITER EXAMINES POLITICAL SITUATION IN KERALA

Bombay THE TIMES OF INDIA in English 22 Dec 85 p 9

[Article by K.T.R. Menon: "Cong. Made To Eat Dust in Kerala"]

[Text] TRIVANDRUM, Dec. 21.

WITH the Congress virtually shelving the mid-term poll proposal, the curtain has fallen on yet another episode of the unending political drama in Kerala.

The Indian Union Muslim League (IUML) and the Kerala Congress are elated over their success in jointly forcing the Congress to surrender. On the other hand, the Congress after its initial show of supremacy, is licking its wounds.

But the real loser is the United Democratic Front (UDF), whose credibility has suffered one more blow. The earlier confrontation between the Congress and the Kerala Congress and their sudden reconciliation had already tarnished its image.

SALVAGING IMAGE

The Congress is now busy trying to salvage its position. It is engaged in bilateral talks with its partners on proposals said to be aimed at "refurbishing the image of the alliance and ensuring greater cohesion".

Observers, however, feel that little more than an agreement to stop mudslinging at one another is likely to emerge from the confabulations.

The possibility of a cabinet reshuffle is considered remote. Even earlier, the proposal was never discussed seriously, with the three major partners realising soon enough that it might create more problems than it could solve.

The Congress itself was largely responsible for the latest crisis. Though the party and the Kerala Congress decided to bury the hatchet after the latter's "rail roko" agitation last month, relations between the two were far from cordial.

A section in the Congress felt that the UDF could not continue to rule effectively without a change in its set-up. They felt the Front's image had been damaged beyond repair.

It was in this context that they started, in the chief minister's words, "thinking aloud" about a mid-term poll. They were of the view that the UDF stood a better chance of defeating the Marxist-led alliance at this stage than at the end of its term in May 1987.

They made no secret of their displeasure at the manner in which the Kerla Congress had gone ahead with the "rail roko" agitation (against the Centre's alleged "indifference" towards the state) and started asserting its independence in other ways, causing an embarrassment to the Congress. They feared that if the Kerala Congress and the IUML were not "restrained", the fate of the UDF might be sealed before long.

There was also a view, shared by the Pradesh Congress president, Mr. C. V. Padmarajan, that the so-called "Marxist threat", which had led to the formation of the UDF in the first instance, had "disappeared". Mr. Padmarajan himself suggested that it was time the UDF set-up was reviewed.

Another section of Congress men, belonging mostly to the erstwhile A. K. Antony faction, however, was of the view that a snap poll was unwarranted. They feared that the opportunity might be used by the chief minister to eliminate former Congress (S) men from top positions in the party and the government.

DIFFERENT VIEWS

The IUML and the Kerala Congress felt that if at all the Front found a mid-term election unavoidable, it should go in for it only after improving the relations among the partners.

They suspected, not without reason, that the Congress was trying to strengthen its position at their cost.

The Congress presumably feared that the two parties, which had grown stronger following the merger of rival factions might increase their political clout further by May 1987.

The keenness of the Congress to hold the election towards the end of January particularly irked the Kerala Congress. With the Pope scheduled to visit the state in the first week of February, Congress, leaders apparently reckoned that the Kerala Congress which mainly represents Christians, would not take any step which might throw it of power. It would, as such, be more amenable than in the past on matters like seat allocation.

The CPM convention in Cochin last month also indirectly emboldened the Congress. The Marxist leader, Mr. E. M. S. Namboodirioad, declared categorically that his party would never join hands with the Kerala Congress and the IUML which he described as "sectarian and communal".

PASSING THE BUCK

While avoiding any public reference to a mid-term elections, the Congress moved in that direction. Senior party leaders, who met in Cochin early this month, authorised the chief minister, Mr. K. Karunakaran, to make whatever decision he deemed fit.

Their gesture was not so much a tribute to Mr. Karunakaran's political sagacity, as a device to place the entire responsibility on his shoulders for the poll outcome. They did not want to associate themselves with a step which involved the risk, however, slight, of the Congress losing the only southern state ruled by it.

Though somewhat unnerved initially, the IUML and the Kerala Congress, soon regained their composure and decided to jointly resist the Congress move. The strategy paid off. The Congress was forced to retrace its step. The small partners, whom the Congress had ignored disdainfully, threw their entire weight behind the two parties.

Thus, the Congress, which set out to make itself stronger, through a fresh election, found itself isolated and was humbled by its junior partners. However, the party though defeated temporarily, is unlikely to remain subdued for long. It is bound to come up with an alternative strategy, sooner than later, to reassert its supremacy.

/13046
CSO: 4600/1291

IRAN

MONTAZERI FACED WITH OPPOSITION AS SUCCESSOR TO KHOMEYNI

Paris LIBERATION in French 20 Dec 85 p 26

[Article by Safa Haeri: "The Guide's Son Is Seeking His Way"]

[Text] It is difficult to succeed Khomeyni while he is alive, even with the blessings of the official bodies of the Islamic Republic. Ayatollah Hossein Ali Montazeri, designated as the future "Guide of the Revolution" by the "Assembly of Experts," admitted himself that such a nomination was erroneous and asked the august body to revise its decision.

Ayatollah Montazeri's designation had triggered the criticism of numerous Iranian religious dignitaries, big and small, and a real opposition movement in the theological centers of Qom, Mashhad, Isfahan and Tehran, where both the procedure followed in this nomination and the personality of the nominee were questioned.

Hossein Ali Montazeri holds a modest seventh or eighth rank, according to the specialists, among several dozen ayatollahs, in the Shiite Islamic hierarchy, and is far behind the six "Ozma ayatollahs," the greatest ones, who alone can claim to "guide" the nation of the faithful.

It was Ayatollah Sadegh Rohani, one of the latter, who had denounced for the first time publicly, from the "holy" city of Qom, 27 November last, the error made by the "Assembly of Experts." Thus, according to Shiite theology, no individual or assembly has the right to designateone "ulema" to replace another as long as the latter is alive, for such a procedure could only throw confusion into the minds of the faithful, who all have their own "guide" to emulate and cannot replace him as they wish.

It is only at the death of the "guide" or of an "ozma" ayatollah that his "emulators" could freely choose another. It is for this reason, apparently, that in his "letter" Ayatollah Montazeri appealed twice in his "most ardent" prayers to the Allmighty to keep Imam Khomeyni alive as long as possible. The content of that letter was made public Tuesday last on the occasion of a communique issued by Ayatollah Montazeri's office, asking his supporters to cancel two demonstrations planned for Wednesday and Friday, intended as a show of popular support of the decision of the "Assembly of Experts."

According to religious sources in Qom, Montazeri's retinue had resigned itself to the cancellation of the demonstrations for fear of provoking clashes between supporters and opponents of the future "guide" of the revolution. The communique provides no details on Montazeri's letter, but the likelihood is that it was written subsequent to Ayatollah Rohani's statements.

The latter, who is, precisely, one of the "great" ayatollahs and enjoys substantial influence in Qom, had, among others, accused the experts of having imposed "this gentleman" (Montazeri was not mentioned by name) "as the future guide of the revolution and the nation," by following a procedure "which strangely resembles that of communist regimes." Ayatollah Montazeri seems to acknowledge in his letter, implicitly at least, that there are"greater" ayatollahs than himself, for which reason he does not wish his name to be "mentioned," adding that "since contrary to my sincere wish I was presented with a fait accompli, I ask of all students, the clergy and the other classes to be kind enough to cancel the planned demonstration in support of my nomination."

Nevertheless, according to some Iranian clerical circles, the 60-odd members of the "Assembly of Experts" would not have chosen Montazeri without the advance assurance that the imam would have liked the nomination of this person as his successor. However, Ayatollah Khomeyni has still not confirmed the experts' decision nor mentioned it in recent speeches. According to those same sources, after consulting with Imam Khomeyni, that same assembly could reconfirm its first choice, specifying that it is also the choice of the great ayatollahs of this world.

Be that as it may, Ayatollah Montazeri's "letter" could be taken as an acknowledgment of a real victory for the conservative trend within the Iranian Shiite hierarchy. Eventually, however, it would not fail to trigger a lively response on the part of the revolutionary faction of the clergy. This is an embryonic crisis for the time being, which could prove to be threatening Shiite Islam.

5157
CSO: 4619/18

IRAN

MONTAZERI UNCHANGED BY POSITION, PROUD OF HUMBLE ORIGINS

Paris LIBERATION in French 20 Dec 85 pp 26-27

[Article by Assaad Haydar, Lebanese journalist, writing for the weekly AL MOSTAKBAL, published in Paris, author of a recent report from Iran: "Montazeri, an Ayatollah From the Soil"]

[Text] A frail appearance, a round face framed by a well trimmed white beard, eyes shining behind thick lenses, a relaxed smile, and rare simplicity and humility which, according to some, indicate naivete, such is the picture of Ayatollah Montazeri, whose designation 22 November last, by the "Assembly of Experts" ended the struggle for Khomeyni's succession. Sixty doctors of law chose him, in effect, to succeed the "Guide" of the Islamic Republic.

The real surprise contained in this decision was not, actually, that of the choice itself, for the identity of Khomeyni's successor had long been known, but its timing. Such a declaration, while the imam was still living, risked to cast a doubt concerning the mental and physical capabilities of the Guide of the Revolution. Furthermore, the Assembly of Experts faced the difficulty of choosing among the ulemas (high religious dignitaries) those who would guide the revolution had they failed to agree upon a single choice. The (numerous) candidates had ample reasons to postulate their participation in the group of ulemas, bearing in mind their erudition, position in the religious hierarchy and their political authority.

The Assembly of Experts appears to have finally opted for a "radical" solution, the minority opposing Montazeri's choice having had to submit to the majority decision, the more so since according to religious sources in Qom, the "nays" did not exceed seven. However, the religious and political circles considered above all the fact that the successor to the Guide of the Revolution had to be known before the latter's death if a "war of succession" was to be avoided, which would have allowed trends hostile to the religious institution to profit from the situation and to create chaos within the Islamic forces.

Finally, there was the personality itself of Ayatollah Montazeri: loudly proclaiming that which the masses think silently, a person proud of his peasant origin. "My father," he keeps repeating, "continues to irrigate the land with his own hands." He has not changed in the 6 years since the

revolution. I was able to see this in the course of our four meetings, first in 1978, in Paris, where he had come for the first time after spending 4 years in the Shah's jails and 10 years of exile, interrupted by several detentions and tortures, the marks of which are visible to this day. This was the price of a youth marked by loyalty to Khomeyni whom he had joined in Najaf, in Irak.

Last September, I saw no change in him, when we met again, in Qom, in the small thickly carpeted room that serves as his office, where clerics and representatives of the imam come to see and speak respectfully and deferentially to this person who, day after day, is becoming the most popular person in the country.

As a "pure and hard" revolutionary, he has gained the respect of the believers, who are very conservative in their majority. As the spiritual father of the "revolutionary Guards," he is allied with the country's strongman Hodjatoleslam Hashemi Rafsanjani.

"Montazeri will not make a second revolution," circles close to Khomeyni's successor explain. "Not being atheistic, the current regime does not have to be overthrown with a revolution. Nevertheless, it has made mistakes. The development of a conflict among the different trends and political forces, aimed at gaining positions within the state machinery led the leaders of the Islamic Republic to conceal errors which have grown to the point of triggering a real gap between the state and the revolution. Therefore, it is a question of re-establishing the balance of forces within the state through gradual reforms."

Religious circles close to Montazeri specify: "The errors were made because revolutionaries did not assume the key power positions from the very beginning, allowing the Muslim liberals, who had adequate cadres to fill the vacuum caused by the fall of the Shah and thus take over the administrative apparatus of the Islamic Republic."

In this context, the trend set by Prime Minister Hosein Musavi who, according to circles close to Montazeri, represents a popular and revolutionary trend within the state, could strengthen him, as could National Assembly President Hashemi Rafsanjani, who is perfectly familiar with the rules of the game in the State and knows how to manipulate them perfectly.

What is left is Ayatollah Montazeri's "program." As early as 1979, he was asking, in the field of economics, "as Abu Zar Al Ghaffari (the Prophet's companion--editor) says, for water, fire and pastureland to belong to everybody." This meant that that which today corresponds to these three elements should be nationalized. The ideological debate among the various power factions has prevented so far the resolution of the four major problems in this area. This will be accomplished after Montazeri comes to power.

By claiming that "the land belongs to those who work it," Montazeri, who had supported the occupation of the land by the poor peasants at the beginning of the revolution, clearly indicates the line of agrarian reform he intends to follow. Although supported by the religious conservatives, the nationalization of trade clashes against the hostility of the bazaar

merchants. Furthermore, it is a question of "defining the limits of the private sector," which should be narrowed to the advantage of the public sector. Finally, desirous of expanding the cooperative system, Montazeri would like to organize a more controlled economy "aimed at satisfying the poorest strata."

As to the war with Irak, those close to Montazeri maintain that he is "opposed to the way it is developing." This is clear: Guided by Ayatollah Montazeri, the state of the Islamic Revolutionary Republic of Iran, which has been seated for the past few years in the holy city of Qom, will be different from that of the first Islamic Republic. Although the choice of Montazeri as Khomeyni's successor would prevent a war of succession from breaking out and recognizes the "Willayat al Faquih" -- government by a sage -- concept, it would unquestionably not stop conflicts within the state, where the various political forces keep struggling for maximum power.

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CSO: 4619/18

IRAN

SELF-EXILED AYATOLLAH CRITICIZES CHOICE OF MONTAZERI

Paris LIBERATION in French 20 Dec 85 p 27

[Article: "Ayatollah Montazeri Is Not a True Shiite"]

[Text] Ayatollah Montazeri is not a Shiite. Is this a revelation? Is it an accusation? It is a simple theological established fact, calmly asserts Dr Mehdi Rohani, an ayatollah in exile, considered the "spiritual chief" of Shiites in Europe. This 48-year old Iranian cleric, who sought asylum in France because he rejects the rule of Imam Khomeyni, equally rejects the decision of the Assembly of Experts' designation of Hossein Ali Montazeri as the future "Guide of the Islamic Revolution," after Khomeyni is gone.

First of all, he explains, a supreme leader must be a Shiite, acknowledging by this token the infallibility of the 12 imams members of the Prophet's family. This is the main difference in Islam between the Shiites and the Suni. He who denies this infallibility could be good a Muslim, but certainly not a Shiite. Yet Ayatollah Montazeri wrote a preface to a work which was published some years ago in Iran, which questioned the infallibility of Hussein, the third imam. A great deal of theological subtleness is required to be able to follow Dr Rohani's thesis in its entirety. Briefly summed up, it is as follows: the questionable work, which was written by one Nadjafabadi, is a commentary on the martyrdom of Imam Hussein in Karbala, which is considered a basic feature of Shiite tradition. One of two things, the author claims: Either Hussein, in going to Karbala knew that he was to be assassinated by the Khalif Yazid, in which case he was sinning against the Koran, which prohibits suicide. Or else Hussein did not know it, which means that he was not infallible.

Such is the book, therefore, to which, according to Dr Rohani, Ayatollah Montazeri had lent his "imprimatur" by writing in his own hand that "all that I have read in this work is true," therefore supporting the questioning of the infallibility of the most revered imam. Theologically speaking, "Montazeri is no Shiite. However, Mehdi Rohani has other grounds for objecting to the "guide" designated by the Assembly of Experts.

"I know Montazeri better than does his own father," the exiled cleric goes on to say. "We studied together under Borudjerdi, and I must say that he is certainly no genius. His religious knowledge leaves a great deal more to be desired and entitles him to a second rank among the high clergy. No less than

40 years of study are needed before reaching the rank of the great ayatollahs. Montazeri has never spent that much time."

Furthermore, according to Dr Mehdi Rohani, Shiite law forbids the nomination of a supreme leader as long as the one whom he will replace is still alive. "We have five ayatollas of the same rank," he specified, "and we have no right to name a sixth. It is only after one of them dies that the question could be discussed. No one has the right to decide before the right time." Ayatollah Khomeyni, his young colleague concluded,"is certainly a man of the law, a philosopher, a true learned man. Montazeri has not a single one of these qualities."

Mehdi Rohani, whose elder brother, Dadegh Rohani, is precisely one of the five great Iranian ayatollas, denies wanting to overthrow the current Islamic regime. "All we want is to eliminate its excesses" which transformed the Islamic revolution into a "cruel dictatorship." The homage paid to Khomeyni is not entirely cloudless even though this religious opponent admits that the imam "has a popular base in Iran, despite the claim that he is ruling by force." Had it been a "classical political system," he adds, "it would have fallen a long time ago."

In this context, Montazeri's nomination, "opposed by 90 percent of the clergy," Mehdi Rohani claims, could not only be against the laws and traditions of Shiite Islam but a "political error." With this decision, Dr Rohani believes, the "Experts" have automatically removed the great ayatollahs from the stage, thus depriving even further the clergy which collaborated with the Islamic regime of the opportunity to survive the death of its founder.

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PAKISTAN

'NO WAR' PACT TALKS SAID 'DISTURBING' TO AJK PEOPLE

Karachi DAWN in English 11 Jan 86 p 2

[Article by Azad Kashmir]

[Text] LAHORE, Jan 10: Sardar Sikandar Hayat Khan, Prime Minister of Azad Kashmir, said here on Friday that his party, All Jammu and Kashmir Muslim Conference, was committed to the liberation of Kashmir and its accession to Pakistan. He, however, expressed the opinion that the people of Azad Kashmir felt disturbed on hearing about a no-war pact with India from whose subjugation the valley was to be freed.

Addressing a reception hosted by the Lahore branch of his party, the Azad Kashmir leader said that he had been able to evolve a consensus of the people of Azad Kashmir on the issue irrespective of their political affiliation. He said it was easy to talk about the liberation of Kashmir but very difficult to secure it because of certain "international complications like the Simla Accord and the United Nations resolutions".

Sardar Sikandar Hayat, who is also the President of the Muslim Conference, resented the statement attributed to Ms Benazir Bhutto that Kashmiris themselves should fight the war of liberation of Kashmir. He said she has probably forgotten the assertion of her late father who had declared his determination to fight with India for a thousand years. According to him, the previous government in Azad Kashmir had tried to shelve the issue. He pleaded for better coverage of the Kashmir question by the media in Pakistan adding that with a view to representing the vital issue, the Azad Kashmir government would set up its own information centres in Pakistan.

Sardar Sikandar Hayat opposed an autonomous status for Kashmir and said that it was an unwise demand as in such a situation the velley would not be in a position to maintain its sovereignty because of the proximity of three big powers in the region. He was of the view that affiliation of an independent Kashmir with Pakistan was the only answer to the issue for which his party would continue its struggle.

Earlier, Mr Ghulam Husain Karmani, Deputy Speaker of the Azad Kashmir Assembly, assured the Kashmiri refugees in Pakistan that the problem of their settlement would be solved soon. He said that he had already submitted a report to the goverenment.

The city President of the Muslim Conference, Raja Afrasiab Khan advocate, announced that an international convention on the issue of Kashmir would be convened soon. The convention would be attended by eminent lawyers from all over the world, he added.

CALLS ON NASRULLAH KHAN: Sardar Sikandar Hayat also

called on Nawabzada Nasrullah Khan at his Nicholson Road residence on Friday morning. The two leaders exchanged view s about political situation in Azad Kashmir.

Malik Meraj Khalid, a leader of the Pakistan People's Party, also met the Nawabzada. The PPP leader explained to the veteran politician the outlines of the report of the MRD committee on the proposed permanent organisational structure.

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CSO: 4600/180

MINISTER DEFENDS MUSLIM LEAGUE ACTIONS

Karachi DAWN in English 11 Jan 86 p 1

[Text] LAHORE, Jan 10: Federal Justice Minister Iqbal Ahmed Khan said here on Friday that the current organisational activities of the Muslim League were within the ambit of law.

Talking to newsmen at a local function, he said that other parties were also free to organise themselves.

Explaining the legal position, the minister said that all the political parties had been banned under Martial Law, and on the day of the lifting of Martial Law they did not exist in the eye of law.

To gain legality, he said, the parties will have to get themselves registered with the Election Commission. And for this purpose, they will have to go through the formation process. On completing the formation process, they will have to apply for registration within a period of one month as provided under the Political Parties Act.

Mr Iqbal Ahmed Khan said that the Muslim League was currently passing through the process of formation which was completely lawful.

The Justice Minister said that the present government sincerely desired to bring about an unadulterated democracy in the country. For this purpose, it would strengthen the democratic institutions and promote the democratic process.

Clearly stating that there was no possibility of mid-term elections, he said that in fact the Government wanted the political parties to organise themselves on true democratic lines till 1990, when the next elections were due.

During this period, he said, the political parties could gain maturity and would be ready to accept the result of the elections with an open mind. He pointed out that in the past, the country had suffered because the parties refused to accept the election results.

Strongly refuting the charge that the Muslim League was pressuring the people to join its ranks, Mr Iqbal Ahmed Khan said that to him the political views of an individual were part of his faith. A party which used pressure to make people join its ranks could not become a true democratic political organisation, he believed. —APP

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CSO: 4600/180

MUSLIM LEAGUE: IMPENDING ROLE AS 'RULING PARTY' VIEWED

Karachi DAWN in English 10 Jan 86 p 17

[Article by Sultan Ahmed]

[Text] **THE first test of how democratic the civilian Government is may not be how it deals with its political opposition but how it brings about the rebirth of the Muslim League as a ruling party.**

In a democratic order the party which wins the elections forms the government and seeks to implement its manifesto. But now we are to see the reverse of the government forming a party, more like the proverbial cart before the horse. This is not an unfamiliar exercise in Pakistan.

This is to be done quickly, following the end of martial law, and a large majority ensured for the League party in the National Assembly, and simultaneously in the provincial assemblies. So the task of organising the party has not been left to a Minister or MNA. Instead Prime Minister Junejo has taken upon himself that task. And the Chief Ministers are to do likewise in the provinces.

Mr. Junejo is to be the leader of the Parliamentary party in the National Assembly as well as President of the national party outside, succeeding Pir Pagaro who has offered to quit in his favour. And Mr. Junejo is reported to have told the Punjab MNAs in Lahore that the office-bearers of the reorganised League would be from among members of Parliament only.

Dual advantage

This has a dual advantage for the PM. If the MNAs who join the League now cannot defect without forfeiting their seats because of the new Political Parties Act, they are even less likely to think of defecting when they are chiefs of their party in their provinces or regions.

Indisputably the MNAs can organise the League in their areas better than many others because of their increased authority and financial powers. If they are to head the new anti-corruption councils set up in their districts, issue gun licences and recommend persons for jobs, have the advantage of a free telephone, can distribute Qarz-e-Hasna for about Rs. 1,10,000 and development outlay to the extent of Rs. 50 lakh to Rs. one crore in their areas is to be made at their bidding, they can wield considerable authority in the rural areas which form 70 per cent of the country.

Of course, the issue has arisen, particularly in the Punjab and Baluchistan, whether Pir Pagaro can gift his office as President of PML to anyone else. Earlier he had offered the League office to President Zia, but he declined that. Understandably as long as he is Chief of Army Staff he cannot be come leader of any political party.

Because of the resistance Pir Pagaro has been facing from the Punjab League, and even his Secretary General S.M. Zafar, Pir Pagaro has decided to quit after holding that office for over ten years.

But, properly, the League Central Council has to accept his resignation and elect Mr. Junejo as the new President formally before he can function as the party chief. But it appears that this process will be delayed until after he mobilises a clear majority in the National Assembly and possibly wins a vote of confidence.

The question again arises as to how can the League Council meet and elect a chief if all parties stand dissolved, as the official contention is? That means the League will have to apply for registration with the necessary documents before its re-birth becomes legal for official purposes. Will the preliminary registration be done immediately after it applies for it and will it take sometime? What is done in respect of Muslim League can become a precedent for others. Hence the Election Commission cannot be too hasty. But the picture will not become clear until the rules to be framed under the parties act are published.

The results of one person, combining the office of Prime Minister and President of his national party have been bad for the Government, party and the country in the past, regardless of whether it was a League or PPP setup. Must we repeat the same unhappy exercise now? In such a setup it will be the Government which will be directing the party, and not the party, the Government. The interest of the rulers or demands of the Government will prevail over the party, and not the mandates of the party over the Government.

Under such concentration of official and political authority what is left of the Federal structure may be undermined further. Whether it was in the Muslim League or PPP regime, Chief Ministers in the provinces were changed arbitrarily, not through official Federal directives but by changing the party leaders in the provinces. So what was wrong constitutionally, was achieved through political manipulation. The Prime Minister as the national party chief was able to direct provincial parliamentary parties whom they should dump as Chief Minister and whom to have as his successor.

Do we want to repeat all that even after the third spell of martial law — this time as long as eight-and-a half years? If the federation is to last the Federal structure must be respected not only through constitutional framework but also through the administrative and political means.

Whether it is in the parliamentary setup of Britain or the presidential setup of the U.S., the party leaders are different from the persons holding the top offices. At the annual party conference in Britain the Government has a difficult time; but the Prime Minister emerges clearer about where the party stands.

Of course, there has to be a considerable gap between the Government and the party anywhere. Governments think of the possible and pragmatic within their own limitations, political, administrative and financial, while the parties think of the idealistic and what is popular, essential and urgent. In a healthy political system the Ministers try to educate their party members about their difficulties, while the party leaders communicate to the Ministers what the people want and their temper. This two-way exchange is helpful both to the party and the Government, and can reduce the gap between them. But if the Prime Minister is the national party chief as well, is the scope for such a continuous dialogue and the Government dominates the party.

In India combining both the offices produced some serious setbacks to the Congress Government. Mrs. Indira Gandhi imposed her cronies as Chief Ministers as well as state Congress chiefs. She wanted only trusted men, but such men were often not popular or competent, and at times absolutely corrupt, like Mr. A.R. Antuly in Bombay. As a result, after losing Kerala and Tamil Nadu earlier, she lost Andra Pradesh and Karnataka to regional parties in the south. And in the aftermath of that policy, her son has lost the Punjab and Assam but has prudently accepted the electoral verdict readily.

Admittedly, if a leader will not permit democracy within his party he will not have much of democracy in the country when he forms the government. And if he does not believe in holding regular party elections he may not have national elections, or hold both of them in an unfair manner. And if he does not

believe in consensus at party meetings, he may not seek consensus at Cabinet meetings or the Parliament, and may too often impose his will on them.

League plank

In such an environment we have seen a five-year plan being delayed so that it could come out as the ruling party's manifesto first. And now the chairman of the Planning Commission, Dr. Mahbubul Haq, is to formulate the new League manifesto, which sounds more like the current five-year plan.

Experience has shown that it is a misnomer to call such parties as ruling parties. They become, in fact, rulers' parties. That was how Mr. Mohammad Ali (Bogra) was accepted by the Muslim League as Prime Minister and then as party president after he was flown in from our embassy in Washington, following the outrageous manner Khawaja Nazimuddin was sacked by Ghulam Mohammad. As he became Prime Minister through the courtesy of the Governor-General, the next year when the Constituent Assembly was dissolved and he was made more of a nominal Prime Minister with the inclusion of Gen. Ayub and Maj-Gen. Iskander Mirza in the Cabinet.

Later Iskander Mirza as President promoted the birth of the Republican Party, but formed unnaturally as it was, it had to flounder. So he swept off that party and imposed martial law, and got swept off by his collaborator Gen. Ayub Khan as CMLA within three weeks.

During the PPP regime if Mr. Z.A. Bhutto was not chairman of the party and Prime Minister, the legislatures and the party could have exercised some checks on him. Instead he was supreme in both the areas, resulting in the anti-climax of July 5, 1977.

Realising what happens to a party when it comes to power Mao Zedong said: "The party shall command the guns and not the guns the party." But in Pakistan the approach to public life has been too subjective and personalised. More then one party leader in Pakistan has said that he is the party. But soon after that neither the party was really there nor he on the scene. Do we want a tragic repetition of all that all over again after 8½ years of martial law?

Instead of making legislators elected on non-party basis Muslim Leaguers through coercion or large rewards, the best solution is to hold general elections on party basis next year. That is the only right way to have a party Government, and not the current pressure-cooker approach to have majority party to back the hitherto non-party Government.

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CSO: 4600/179

MUSLIM LEAGUE: OLD WORKERS SAID DISMAYED BY PARTY'S NEW ROLE

Karachi DAWN in English 11 Jan 86 p 2

[Text] LAHORE, Jan 10: While the Pakistan Muslim League, headed by Premier Junejo, is in the process of being reorganised, its office-bearers and workers are beginning to have doubts about their future in politics. The way legislators are being made League members, an altogether PML may emerge. However, those at present in the League have been asked to join the PML anew and prove their credentials for party office.

Some of the party leaders are, however, optimistic about the role of Pir Pagara, who, "in a tricky manner" has not tendered his resignation but has only "vacated" the office of President for the Prime Minister. Some leaders think that the Pir continues to head the PML and "can take over the party any moment he likes", some of the party leaders are willing to resist the "hijacking" of the party. One such leader told *Dawn* on Thursday that "If a party in the name of Muslim League is registered with the Election Commission by any person other than Pir Pagara and without the existing organisational setup, it will be the fourth Muslim League".

According to Mr S.M. Zafar, the Secretary-General of the Muslim League, all office-bearers and workers will cooperate with Mr Junejo, who is now heading the organisation, if the party is organised in accordance with its constitution and the office-bearers and workers are accommodated. He said that Pir Pagara had "vacated" the office for the Prime Minister to enable him to reorganise the party countrywide. But the step should not unseat other office-bearers. The party's Secretary-General is, however, of the view that he expects no potential resistance to "the coup".

Contrary to these views, Sheikh Iftikhar Ali, the Punjab General Secretary, is of the opinion that the Pir's action to hand over the party leadership to the Premier was not in accordance with the PML constitution which provided for election to all offices. Second, Pir Pagara could not make any nomination while as retiring as President, "all these acts are not above doubt", he said adding that the Pir's claim that he was the head of a defunct party, was neither legal nor factual. It was, however, correct that he did not tender a resignation to the league's Council.

About the new development, he said that the legislators and the office-bearers had different views about the PML setup and its leadership, this led to a cleavage and the legislators thought of bypassing the existing setup as it suited them. "It appears from the new setup that a party seeking registration shall be a new party. Authors of the new legislation seem to have forgotten that they are causing irreparable loss to the League".

About Pir Pagara's departure, Sheikh Iftikhar Ali, Secretary-General of Punjab PML said that "at the moment there are about 40 MNAs who can claim to belong to the League in a house of 237. This number is so insufficient to form a ministry. Those sitting on the fence would like to be shareholders in power but want to first secure their position viz the existing setup.

Sheikh Iftikhar Ali said the League's constitution laid down that a Minister or Chief Minister should not hold any executive office, would not suit some of the Ministers who also wanted party positions. These were the circumstances under which a method was evolved under which the legislators would have full control of the League.

Another League leader, Sardar Abdul Vakil Khan, a former Deputy Inspector-General of Police, has said that if Pir Pagara contested presidential elections he would quit the party and join the PPP. He was of the opinion that by appropriating the Muslim League, the Government wanted to break it up. He said that party workers would not accept any organisation without the Pir Pagara as its head.

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CSO: 4600/180

SBPF TO ORGANIZE ACTIVITIES IN PAKISTAN

Karachi DAWN in English 11 Jan 86 p 10

[Article by Azad Kashmir]

[Text] LONDON, Jan 10: The principles committee of the Sindhi-Balluch-Pushtoon Front at a meeting in Essex last week finalised the organisational structure for the Front inside Pakistan, and delegated "all the necessary powers in this behalf" to the convener for Pakistan, Mr Mumtaz Bhutto, who had announced at the Front's seminar in London last month that he would go back to Pakistan after the lifting of Martial Law.

He was not available in London today, but sources close to him said he was awaiting word from friends in Pakistan before finalising his programme.

The Front's principles committee meeting, whose decisions were released here today by Mr Abdul Hafeez Pirzada, the Front's Secretary-General, also prescribed the functions and duties of various committees and office-bearers, and laid down rules regarding disputes and discipline.

Mr Mumtaz Bhutto has been authorised to nominate a 150-member central council, the central committee and office-bearers including three deupty conveners, a general secretary, two deputy general secretaries and three state (nationalities) organisers.

It is proposed to have state councils and organising committees, district and city organisations, tehsil/town/city area committees and the primary unit organisations. The number of primary units is estimated between five and six thousand.

The organisation is to be completed within one year, and thereafter each primary unit is to elect two delegates to the three conventions of nationalities. These conventions will elelct three state councils each consisting of 150 representatives, and also elect 50 persons from each nationality to the central council. The central council will then elect the central office-bearers and the central committee. The state councils will hold elections to the subordinate organisation and committees.

The principles committee will present a draft constitution for the Front before the elected central council for its approval and adoption.

The principles committee unanimously approved the appointment of two executive committees — one for "Pushtoon nationality" and the other for "Sind nationality". The first committee includes Dr Altafur Rahman, Dr Irshad Ali Shah, and Mr Shawas Khattak. The other comprises Mr Aslam Bhuj and Dr Saifullah Nizamani. It also appointed Mr Karim Baloch as the Front's Information Secretary.

The committees also approved appointment of conveners of the Front in Holland, Sweden, Denmark, West Germany, United States, Jordan, Saudi Arabia, Kuwait and the UAE.

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CSO: 4600/180

PAKISTAN

REPEAL OF RESTRICTIONS ON PRESS URGED

Karachi DAWN in English 9 Jan 86 p 5

[Text]

NOW that Martial Law has been lifted and civilian rule restored in the country, the question of Press freedom — and the role of the Press in a democratic society — has again moved to the fore. Speaking to newspaper editors last week, Prime Minister Junejo expressed the hope that the Press would behave responsible and with a sense of maturity in the post-Martial Law period. Valid as this observation is, it tends to overlook the fact that the national Press cannot seriously be faulted on this count. Indeed, its critics might say that at times it has been more "responsible" than required in not resisting the suppression of democracy and civil liberties. The trouble is that every government, whether civilian or military, tends to equate the country's interest with its own. An attack on its policies, however ill-conceived, becomes an attack on the national interest. Obviously, this is a twisted view and a self-serving argument. The primary question is one of Press freedom and it is here that one has a sorry tale to tell. Since the imposition of the first Martial Law in 1958 the Press has had a rough journey. Because its freedom clashed with the imperatives of "guided democracy," an elaborate structure was devised to gag and muzzle the Press and despite promises by every succeeding government to dismantle it, that structure remains in place till today.

Even if Martial Law Regulations are there no more, the Press and Publications Ordinance has armour and ammunition enough to take care of any publication considered "irresponsible" which, incidentally, is a favourite euphemism for anything judged inconvenient or unpalatable from the point of view of those in authority. Nor can it be forgotten that there is a vast segment of the mass media which is directly managed and controlled by the Government. In this category fall two English and two Urdu newspapers and one Sindhi daily, some of these having editions coming out from different news centres. Also part of the governmental mass media empire is the main news agency. Finally, the Government holds the monopoly of the electronic media — normally a most potent means of mass communication. Again, more journalists are employed in all these officially controlled mass media organisations taken as whole than are on the employ of the newspapers outside the domain of governmental ownership and control. There are subtler levers of control as well. These include the power to restrict newsprint quotas and withhold Government advertisement from dissenting newspapers.

Press advice, in many respects more insidious than blatant censorship, has come to be accepted as a fact of life. Section 499 of the Criminal Procedure Code is a glaring example of the very many hazards the uncertain profession of journalism is regularly exposed to. It provides for prosecution for defamation even if the news in question is true and its publication is in the public interest.

Apologists for authoritarianism have sedulously propagated the notion that the Press seeks to be above the law. This is a blatant untruth. The Press has certainly opposed and will continue to oppose all emergency laws under which the Executive acts as both accuser and judge in dealing with the mass media and journalists. But the Press has never opposed a trial before an ordinary court of law under the country's normal laws which, incidentally, were made by the British and can, therefore, never be supposed to err on the side of the people's rights. The British-made laws cover every conceivable form of undesirable conduct or crime which Authority would like to prevent and punish. These ordinary laws are by no means liberal and it would, indeed, have been highly advisable to subject them to the searchlight of scrutiny in order to liberalise them in keeping with the libertarian urges of a free society. The question was raised by the Press soon after independence and, indeed, formed part of the terms of reference of the Press Commission. But the question became wholly irrelevant when Gen Ayub's authoritarian Government promulgated in 1962 the Press and Publications Ordinance, whose slightly amended 1963 version is still in force. It must be mentioned here that the so-called democratic Government of the People's Party which ruled for five-and-a-half years never responded to the demand made by the editors and journalists to repeal this Draconian law and felt no qualms about invoking it against newspapers and editors. This is something which would never be excused or condoned. The law was retained by the Martial Law authorities although, being in possession of unlimited powers of imposing curbs and penalties, they did not need it. However, there is one great improvement they made. They amended the British-made law of libel, which even the imperialists had deemed adequate to their needs, and in doing so, have made it thoroughly perverse and wicked by eliminating the plea of the truth and disclosure in the public interest as valid defence on the part of the accused in a charge of libel.

Where freedom of the Press, or for that matter any of the basic freedoms and rights, is concerned, good intentions and assurances are not enough. It is not sufficient to say, as the Federal Information Minister did recently, that the Government has no programme to curb freedom of expression. One might say that there is a hint of condescension in this observation. Freedom is not a favour conferred by a gracious dispensation on an undeserving Press. It is a right to which the press is entitled in any free society. Nor can it be considered a luxury in a society struggling to set up representative institutions. Without it the tender plant of democracy simply cannot grow. So if we are really trying to turn a fresh leaf in our history, the civilian Government should give serious thought to the question of repealing those laws (black by any definition) which restrict the freedom of the Press. As long as they remain on the Statute Book this freedom will remain a very tenuous proposition.

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BIHARIS' IMMEDIATE REPATRIATION URGED

Karachi DAWN in English 10 Jan 86 p 10

[Text] KARACHI, Jan 9: Lord Ennals said here on Thursday that the stranded Pakistanis in Bangladesh should be repatriated to Pakistan without delay.

Speaking at a reception hosted by Mr Ahmad E.H. Jaffer, President of the English Speaking Union of Pakistan, to mark the silver jubilee celebrations of the ESU, he said there was a "warm purpose in the minds of the people to come to Pakistan and have the citizenship they conceive is theirs."

Lord Ennals, who is championing the cause of refugees since World War II, hoped that the Government of Pakistan would decide to go ahead with the repatriation process as the financing part has been taken care of.

He said an international trust had been created with Prince Talal bin Abdel Aziz, nephew of the King of Saudi Arabia, as Chairman, and Admiral (retd.) Mohammad Sharif of Pakistan as Vice-Chairman, and that it was in a position to give international bank guarantees to prove that the money was there (278 million dollars for the repatriation and resettlement over a period of three years).

He said he would be leaving for Dhaka in about two days to visit the refugees in camps.

AFGHAN REFUGEES: Lord Ennals said that during his visit to Afghan refugee camps near Peshawar, he saw many refugee women rehabilitated on a permanent basis and some 3,000 of them have been employed in factories located in the camping area, working and not depending on the "hand-out assistance."

The women are working in factories and producing quilts, handicraft items, jewellery making and uniforms for school children in camps. These income generation schemes were suggested by him during his last visit 14 months ago and the refugees, the Government and the world agencies are doing a very good job, he said.

Earlier, Mr Ahmed E.H. Jaffer, in his welcome address, praised the role of Lord Ennals for the cause of refugees.

He said the stranded Pakistanis in Dhaka should be provided assistance by the Bangladesh Government as Pakistan is looking after the Afghan refugees.

Lord Ennals will visit Orangi Township on Friday afternoon to meet Biharis and talk to local leaders. He will be accompanied on the visit by the area MNA, Mr Afaq Shahid.

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PAKISTAN

BRIEFS

PUNJAB PLANS INDUSTRIAL ZONES--Industrial zones will be established in rural Punjab to check the large-scale migration of workless peasants to the cities. According to official sources, a high level meeting will be held here on Jan 12 to finalise the modalities of the scheme estimated to involve over Rs 15 Billion to start with. Roughly, each industrial unit will cost at least Rs 500 to 800 million. The number and type of industries will be finalised at the meeting which will also be attended by legislators and planning experts of the provincial government. The proposed industries will mainly be agriculture-based and will create job opportunities for over 200,000 people. The provincial government may have to approach the Federal Government to secure the finances required. [Text] [Karachi DAWN in English 10 Jan 86 Business Supplement p I] /12828

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